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ABSTRACTS

SALT I: An Evaluation

By R. L. GARTHOFF

The SALT I Agreements, concluded in 1972, are assessed with the benefit of several years' perspective. This study examines the negotiations and agreements from the standpoint of achievements and shortcomings. It finds a number of each, but on balance a substantial positive achievement. SALT I marked a beginning to collaborative efforts at strategic arms control by the two superpowers, and in a number of respects—especially the ABM Treaty—it had a clear and favorable effect in mitigating the arms competition. The main shortcoming was the failure to reach significant restraints on strategic offensive arms, especially a ban on MIRV's at a time when that was still possible. Also, the pursuit of "bargaining chips" for arms negotiations can impede arms control and contribute to arms competition. An "oversell" of détente and SALT in 1972 prompted a swing to undervaluing both in the late 1970's. Nonetheless, on balance SALT I was a significant step forward.

Bases of Power in Chinese Politics: A Theory and an Analysis of the Fall of the "Gang of Four"

By L. DITTMER

This paper sets forth a preliminary theory of the substructure of Chinese politics. Power is based on an *influential constituency* in China as elsewhere, but here there are two types of such constituencies: the formal, consisting of an actor's bureaucratic colleagues and subordinates, which exerts formal power [*ch'üan-li*]; and the informal, consisting of interested family members, long-term friends, and protégés, which exerts informal influence [*shih-li*]. The support of the former may be relied upon during "nonantagonistic contradictions"; but if the contradiction becomes "antagonistic," only the informal base is likely to be of any avail, because of the severe sanctions applied to any associate of an "enemy of the people." The "Gang of Four" could be considered as "favorites" of Mao Tse-tung, inasmuch as their narrow and shallow "backgrounds" afforded them no constituency, formal or informal, aside from the Chairman himself. Their political actions were characterized by exclusive loyalty to their patron and by a disregard for the formal rules of the game. Sensitive to the long-range untenability of their positions, the Four sought to expand their base by appealing to the masses through the media and by building an incipient bureaucratic constituency. Their ultimate failure may be attributed not only to their ineptitude at base-building, but to the inherent limitations of their positions in an increasingly determinate bureaucratic-political game.

Analysis, War, and Decision: Why Intelligence Failures Are Inevitable

By R. K. BETTS

Strategic intelligence failures cannot be prevented by organizational solutions to problems of analysis and communication. Analytic certainty is precluded by ambiguity of evidence, ambivalence of judgment, and atrophy of institutional reforms designed to avert failures. Many sources of error are unresolvable paradoxes and dilemmas rather than curable pathologies. Major failures in attack warning, operational evaluation, and intelligence for strategic planning are due primarily to leaders' psychological attributes rather than to analysts' failures to detect relevant data. Since analysis and decision are interactive rather than sequential processes, and authorities often hear but dismiss correct estimates, intelligence failure is inseparable from policy failure. Solutions most often proposed—worst-case analysis, multiple advocacy, devil's advocacy, organizational consolidation, sanctions and incentives for analysts, and cognitive rehabilitation—are either impractical because of constraints on the leaders' time, or they are mixed blessings because they create new problems in the course of solving old ones.

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Exit, Voice, and the State

By A. O. HIRSCHMAN

The possibility and widespread practice of exit, on the part of dissatisfied citizens, has important, though highly diverse, bearings on the formation, solidity, and "quality" of the state. An association exists between the wide availability of exit and the condition of statelessness in a number of aboriginal societies as well as in Rousseau's state of nature. In the 18th century, the exit option—which became available to the wealthy as movable forms of property increased in importance—was hailed by such observers as Montesquieu and Adam Smith as a restraint on arbitrary rule or taxation. Today, on the other hand, such exit (capital flight) tends to render the introduction of needed reforms more difficult. Emigration-exit was benign in its effect on the sending countries in the 19th century and may have been helpful to the process of democratization in Europe. Lately, however, exit has been considered a threat to the existence of the state and has led to strong, though very different, defensive reactions in Ireland and East Germany. The small modern state can fend off excessive exit by providing a variety of public goods to its citizens; one of these public goods is "understood complexity."

Economics, Inflation, and the Role of the State: Political Implications of the McCracken Report

By R. O. KEOHANE

A recent report commissioned by the OECD, *Towards Full Employment and Price Stability*, represents an attempt by mainstream economists to account for world capitalism's economic difficulties during the 1970's, and to prescribe solutions. Although the report identifies the key sources of inflation and recession as political and social, it carefully analyzes only economic processes. Yet it makes a political argument: that democratic states must discipline their citizens more effectively in order to conform to the requirements of capitalism. This conclusion rests on unexamined normative assumptions, and fails to consider questions of political feasibility. The report is deficient both as explanatory theory (due to its political and sociological naivete) and as policy science (due to its pervasive ideological bias). Its weaknesses indicate the need for better political and sociological analysis to complement economic theories of inflation and recession.

People in Villages: Micro-level Studies in Political Economy

By R. H. BATES

Recent micro-level studies of rural communities in the developing areas address themselves to three basic issues: (1) What are the major external forces that determine the welfare of persons residing in rural areas? (2) How do peasants respond to these forces? (3) What ethical evaluations are to be made of the outcome of the encounter between peasant communities and the forces intruding upon them from their environment? By addressing these questions, and by formulating and utilizing explicit models of peasant behavior, these studies provide a coherent approach to the study of the developing areas.

The Undeveloped Theory of Nationalism

By G. STOKES

Despite a vast literature on nationalism, theoretical investigations on the subject are rare. Historians generally are not interested in theory, although they use typologies. The most thoroughgoing typology has been produced by the sociologist Anthony D. Smith, who has constructed a matrix with 55 locations that allows categorization of both ancient and modern types of nationalism. Smith divides nationalist ideology into a core doctrine and its accretions, but he may underestimate the importance of language. Kedourie has produced a theory of the intellectual development of nationalism, but only Gellner has a theory of modernity in which nationalism plays a key role. Interest in ethnicity has given a new direction to studies of nationalism by stressing the function of group allegiance in achieving political ends. Finally, despite the sharpness of Smith's definitional insights, his theory itself is too narrow to establish the link he seeks between modernization and nationalism.

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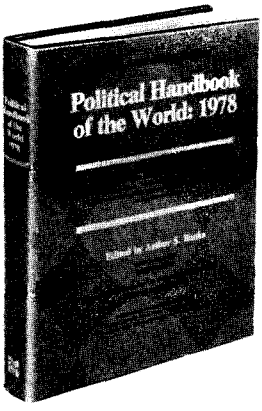

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SALT I: AN EVALUATION

By RAYMOND L. GARTHOFF

WITH the advantage of several years to observe consequences and to lend perspective, we may now be better able to evaluate the SALT I agreements signed by President Nixon and General Secretary Brezhnev in May 1972, and ratified in October of that year. The possibility of agreement soon on a SALT II long-term limitation on strategic offensive arms, to complement the 1972 ABM Treaty of indefinite duration and to succeed the five-year Interim Agreement on certain strategic offensive limitations, also makes such an attempt topical. But an evaluation of SALT I should focus on the achievements and shortcomings of those negotiations and accords in a broad context, rather than as they relate to the current issues surrounding SALT II.

SALT Origins, Aims, and Objectives

A necessary point of departure for an assessment of SALT I is identification of the aims of the two parties in entering upon strategic arms limitation talks, and of the main objectives they set for themselves in those negotiations. To what extent did the United States and the Soviet Union seek the same things, and to what extent did they meet their objectives? To answer this question, we must look first of all to the origins of SALT.

Despite a number of useful arms control agreements reached during the early and mid-1960's, there had been no success in coming to grips with the existing and growing strategic forces of the United States and the Soviet Union.

In December 1966 the late Ambassador Thompson, on instructions, proposed bilateral talks on strategic arms limitations, specifically to limit ABM systems; this proposal led to further exchanges in early 1967. The chief distinguishing feature of this proposal, apart from the fact it had been made confidentially and at the highest level, was that it stemmed *not* from an elaborate arms control plan, nor from an attempt to stake out a pious pose for propaganda; rather, its source was the very concrete and immediate aim of Secretary of Defense McNamara (supported by Secretary of State Rusk, and accepted by President Johnson) to cut off an impending U.S.-U.S.S.R. race in ABM deployments. McNamara feared that such a race would not only be ineffective and costly, but also would touch off competition to develop strategic offen-

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sive missile systems. Only after President Johnson had decided in December 1966 that political pressures from the Hill required a decision to move forward with ABM deployment and had so informed Secretary McNamara, did the idea of SALT emerge as a possible means to avert this course.[1] Secretary McNamara also sought to buy time and to blunt an ABM race by making the decision apply to a limited counter-China and counter-accident (and later also ICBM defense) ABM deployment, but explicitly *not* to building an ABM system that would attempt to stop a Soviet strategic missile attack. Both he and others in the Administration regarded an agreed limitation with the U.S.S.R. as far preferable; even a "thin" anti-China deployment could later be augmented and "thickened" into an anti-Soviet defense. Indeed, that is what the Joint Chiefs of Staff continued to favor as an ultimate aim—and what the Soviets suspiciously regarded as our intention even from the outset.

The Administration desired to advance the strategic arms limitation alternative publicly at the same time that the State of the Union and Defense Budget messages first requested contingent funding to allow a later Presidential decision to proceed with a limited ABM deployment. The initial Soviet response in January 1967 was prompt. The Russian leaders couched their reply in cautious terms, keeping open the option to fall back on their earlier "Gromyko Plan" for minimum deterrent levels (known to be unacceptable to the U.S., but providing propaganda "high ground"), but also keeping open the possibility of real negotiations if the United States proved to be serious. To the surprise of some people in Washington, the Soviets asked that talks on strategic arms limitations cover not only ABM's, but also strategic offensive arms. The United States promptly agreed, perhaps in turn surprising the Soviets. But these early exchanges—not made public—did not lead to Soviet acceptance of American proposals in March to send a high-level negotiating team to Moscow in order to begin the talks. After the Soviet agreement in principle in January 1967, there followed a long hiatus until the U.S.S.R. was finally prepared to start negotiations in mid-1968.

One reason for the delay was the disparity in strategic strength at the time SALT was proposed. In 1967, the strategic force levels of the Soviet Union were considerably inferior to those of the United States; the Russians agreed to begin the talks only when they were in reach of

[1] Subsequent developments suggest that President Johnson may have been in error in his judgment that sentiment on the Hill in favor of ABM deployment was wide and growing. He was especially influenced by Senator Richard Russell; a number of other Southern Democrats were among those in favor of ABM and of large military programs in general.

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numerical parity in strategic intercontinental systems in mid-1968. There were at least two other reasons: the need to reach internal agreement on the strategic context and concept underlying a SALT agreement with the U.S.—especially one limiting ABM strategic defenses to a low level—and the continuing suspicion in important political and military quarters in Moscow as to American aims.

Unfortunately, the SALT negotiations that had been set for the fall of 1968 were postponed for reasons to be noted later. Nonetheless, further confidential exchanges that year helped to clarify some common objectives of the two countries. The two governments agreed explicitly that a main objective of the talks would be to achieve and to maintain stable strategic deterrence between the United States and the Soviet Union through agreed limitations on the deployment of strategic offensive and defensive arms. They agreed implicitly that strategic parity should be accepted and maintained, and more specifically that the limitations should be balanced so that neither side could obtain any military advantage, and equal security would be assured for both sides. They also decided that measures should be agreed upon to reduce the risk of a nuclear war that might arise from an accident or in some other unintended way.

By the time the SALT talks began in Helsinki in late 1969, both the United States and the Soviet Union were agreed on the existence of and the need to preserve *parity, mutual deterrence*, and *strategic stability*.* To be sure, many arguments lay ahead over important details concerning precisely which weapons systems should be considered as "strategic" in bilateral strategic arms limitation, and over the composition of the forces that were to be limited in order to ensure "parity." Important differences remained in defining measures that would provide "equal security," and there were even wider divergencies over equitable limitations to provide "strategic stability." These questions provoked strong debate in Washington, and no doubt in Moscow as well; it is hardly surprising that, with the added suspicions and desires to hedge in the interests of each side's own security—to say nothing of blatant attempts to gain advantages—contentious and intractable differences often had to be reconciled.

Nonetheless, the existence of an important strategic conceptual foundation for SALT had been laid by 1969, and was reflected in the later SALT I agreements.

* See Raymond L. Garthoff, "Mutual Deterrence and Strategic Arms Limitation in Soviet Policy," *International Security*, III (Summer 1978), for an extensive review of evolving Soviet views on this subject.

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Also by late 1969, the political and military leaders of both the United States and the Soviet Union had concluded that the greatest possible danger to (and certain cost in maintaining) the strategic arms balance was the conjunction of possibilities for the development of both ABM and MIRV. Either of them could be destabilizing; both would surely be. On the basis of the subsequent record, and in retrospect, it appears likely that the leaders both in Moscow and Washington had by that time decided that ABM limitation was the more feasible and the more necessary of the two, and that MIRV control was both less feasible and less surely desirable. By the mid-1970's, at least some persons who had contributed to that decision in both capitals had come to rue it; others had from the outset wished to press for both, or for neither.

Since the United States was the pacing element in MIRV development, a different leadership in Washington might have produced a different outcome. Or, if SALT had begun in 1968, there would have been a greater prospect for a ban on MIRV as well. But, given the bureaucratic pressures and the outlook of the leaders in both capitals, and the discrepancies in the strategic programs of the two sides, limitation of ABM systems to strategically insignificant levels was the prime concrete objective of both sides in 1969.

SALT and Détente

Before continuing to address the *arms control* dimension of SALT, we must consider the *political* relationship between the United States and the Soviet Union, as well as the strategic relationship between the two superpowers, with due regard to changes over time.

In the decade preceding the proposal for SALT, the political relationship between the U.S. and the U.S.S.R. had lurched and veered along an erratic course between crises and cooperation. Confrontations over Berlin and over Soviet missiles in Cuba, local crises and competition in the Middle East, Southeast Asia, and elsewhere alternated with the "Spirit of Geneva" summit in 1955, the visits of Vice President Nixon to the U.S.S.R. and of Prime Minister Khrushchev to the United States in 1959, a spate of arms control agreements in 1963, and (soon after SALT was broached) the Glassboro summit of President Johnson and Prime Minister Kosygin in June 1967.

In a brief review such as the present one, it is the spectacular summit meetings and direct agreements between the two countries which leap to mind. But the political relationship between the U.S. and the

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U.S.S.R. has been deeply affected by other developments in world politics, including the perpetuation of our respective counterpoised alliances in Europe, the development of the Common Market, the Sino-Soviet estrangement and the break-up of the world Communist movement, and many vagaries of local political shifts uncontrolled by Moscow or Washington. (For example, despite efforts to cultivate influence, the Soviets spent billions on arming countries such as Indonesia, Egypt, and Syria, which subsequently not only crushed local Communist parties, but aligned themselves *against* Soviet interests; and the United States fought a war—partly in order to hold back Soviet influence—against a group struggling for control of Cambodia; now that this group is in power, it will not even let a Soviet Ambassador into the country!)

At the 1967 Glassboro summit, Secretary McNamara tried hard to explain the reasons for reciprocal restraint on ABM deployment to a stolid and somewhat bewildered Kosygin. The latter seemed unmoved, but perhaps some of the argument stuck. In any event, it was only under different circumstances, in the summer of 1968, after President Johnson had belatedly called a stop to our buildup of forces and commitment in Vietnam, that the Soviets signalled their readiness to begin SALT, and a summit meeting in Leningrad was planned at which SALT would be launched.

Literally on the eve of the public announcement, Soviet troops moved into Czechoslovakia. The summit, and SALT, was off. My own conjecture is that the Soviet leaders had hoped that President Johnson, in pursuit of the much desired summit and SALT, would be willing to swallow the occupation of Czechoslovakia and still go ahead, thus serving their interest in as rapid a return to "normalcy" in East-West relations as possible. (Indeed, if the Democratic candidate had won the 1968 election, perhaps a summit—and the start of SALT—might have taken place late in 1968, or at least early in 1969.) But the Soviet leaders must have realized that it was most unlikely that the United States would be prepared to proceed on schedule. They evidently concluded that from their standpoint, the need to suppress liberalization in Czechoslovakia—which they finally decided upon with divided counsel and with great reluctance—was overriding. If it meant no summit (and other unpleasant political perturbations in East-West relations, such as increased NATO alarm and solidarity, and the like), they were prepared to accept it.

The Soviet leaders signalled to the Nixon Administration, even prior to its accession, their readiness to begin SALT promptly. Indeed, they

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were so forthcoming in this regard that President Nixon and his National Security Advisor were led to conclude that the Soviets were more interested in SALT, and more in need of SALT, than the United States; there should, they believed, be leverage to be gained from a "linkage" of SALT to Soviet concessions in other areas. To some extent, this misjudgment contributed to a further delay in starting SALT; but more important was the fact that both President Nixon and Dr. Kissinger were primarily interested in SALT as a political *object*, to be used at a time and in a way so as to contribute to broader political purposes, rather than as a *subject* with inherent value. This is not to argue that SALT should then (or any other time) have been regarded as above or apart from a broader political context; merely that Nixon and Kissinger paid too little attention to its own potential. It was only after President Nixon had committed his Administration to a nationwide ABM deployment (termed "Safeguard," and not drastically different in scale or design, though with a different rationale, from Johnson's "Sentinel" system), that he was even prepared to study SALT "options"—and initially without making ABM deployment contingent upon possible SALT agreement, in contrast to the Johnson Administration. Indeed, in 1969 Nixon personally favored ABM deployment and expected (mistakenly) that the Soviets too would want a nationwide thin deployment against China.

The "political" role of SALT in the Nixon Administration became even more important as the talks proceeded. President Nixon increasingly wanted to achieve a SALT agreement as a symbol of a successful détente policy. In the latter half of 1971 and the first months of 1972, this meant aiming for a SALT agreement at the summit he had planned for mid-1972, a few months before the national election. For a time, this involved a charade to keep from reaching agreement on an ABM Treaty too *quickly*, while in the end it meant reaching agreement under pressure, involving haphazard personal negotiations in the Kremlin, with the President and Dr. Kissinger seeking to patch together an Interim Agreement on levels of strategic offensive ballistic missiles.

By 1972, President Nixon had become committed to the SALT agreements as the central jewel in his summit crown; his interest had grown in 1970 and 1971 as he saw an arms control image as a counterpoise to his Vietnam War image. Conversely, after the SALT I agreements and the election of 1972, his interest in SALT waned until he began clutching at straws to keep afloat in the rising tide unloosed by the opening of Watergate. In June 1973 he acquiesced in an agreement on the Prevention of Nuclear War, which the Soviets really *did* want

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more than the U.S. did—with no *quid pro quo* beyond persuading a reluctant Brezhnev to agree to a communiqué pledging a target date for a further interim step toward SALT for 1974, an election year which, though not a presidential quadrennial, was expected to be crucial.

On the Soviet side, SALT had also become a matter of internal and international political significance, beyond its intrinsic importance. Secretary Brezhnev had increasingly identified himself with a policy of détente and with the "Peace Program" adopted by the 24th Congress of the C.P.S.U. in April 1971, which stressed SALT and other disarmament measures. Such Programs adopted at Party Congresses have considerable importance in the Soviet Union as general policy guidelines. Brezhnev's personal role had been enhanced at that Congress: he was now the chief Soviet spokesman on SALT and other foreign policy matters which had previously been handled by Premier Kosygin. The Nixon-Kosygin exchanges on SALT (January to May 1971) thereafter became Nixon (Ford)-Brezhnev exchanges. Brezhnev further broke precedent by signing the SALT I Treaty and Interim Agreement (and as General Secretary of the Communist Party, rather than in his lesser Government position, although of course with the usual formal assignment of authority all governments provide to authenticate their signatory representatives).

Apart from the political significance attributed by both sides to SALT as a major achievement in advancing policies of détente, the accords probably *did* contribute to relaxing tensions between the two countries and in general. The impact on relations between the U.S. and the U.S.S.R. was not, however, entirely favorable. In particular, détente policy and SALT were oversold by the Nixon Administration; disenchantment set in later, when overdrawn expectations were not met in Soviet (and American) actions in other areas. The pendulum then swung too far in the other direction: overcompensation led to an undervaluing of both détente and SALT. These disappointments to some extent prompted political attacks on SALT by certain conservative and military elements who had never really favored SALT (though not by the mainstream of either political party).

The global political impact was even more mixed. It was generally favorable, but most other countries did not accord much direct significance to SALT. It did exacerbate Sino-Soviet relations, and Soviet-Egyptian relations: the 1972 summit including SALT contributed to Sadat's decision to expel the Soviet military presence. Later, after the Yom Kippur War of 1973, some Israeli and pro-Israel sentiment also

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swung against American pursuit of détente and arms limitations with the U.S.S.R., because it had not been able to prevent Soviet support to the Arabs. SALT I did not adversely affect America's relations with our NATO and other principal Allies because of frequent consultations and the stands taken on matters of particular concern to the Alliance.

SALT and the Strategic Relationship

The most obvious, but not the only, aspect of the Soviet-American strategic relationship relevant to the SALT objectives was the attainment and recognition by both sides of a state of parity in mutual deterrence; that is, each side must be able to respond with a devastating retaliatory strike even if the other were to launch a massive surprise attack. This situation had been anticipated and widely accepted in the West long before the Soviet Union had achieved a capability even remotely comparable to that of the United States. But by the late 1960's the fact of mutual deterrence, with its corollary of the futility of an unlimited continuing strategic arms race, was recognized by the leaders both of the United States and of the Soviet Union.

Evident gross disparity in the force levels of the two sides, or even in perceptions of the strategic balance, also became unacceptable to both sides, especially as a basis for commitment to agreed limitations. Equality is at least as necessary politically as it is militarily.

At the time the United States proposed strategic arms limitations, there was a considerable disparity in force levels. In January 1967, the United States had 1630 operational ICBM's and SLBM's while the Soviet Union had only about 600. Even including other launchers under construction, the ratio was 1710 to 1050. (If intercontinental heavy bombers are included, the total was 2350 to 1200.) By September 1968, when SALT was scheduled to begin, the ratio of operational ICBM-SLBM's was 1710 to 1000; including launchers then under construction, it was 1710 to 1500. The fact that SALT did not begin until more than a year later (because of the Soviet occupation of Czechoslovakia, the election and change of administrations in Washington, and other developments) also had the effect of changing the ratio of ICBM-SLBM aggregates to 1710 to 1300 operational, but 1710 to 1900 total by November 1969; by May 1972, when the SALT I agreements were signed and took effect, the aggregates were 1710 to 2350. The disparity to the disadvantage of the United States would have been even greater had the Soviets not instituted an unannounced moratorium on starting new ICBM launchers for over a year from the time SALT began, and again

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during the last half-year before the agreement, so that only 80 additional ICBM launchers were started during the two and a half years of SALT I negotiations. (SLBM launchers, however, in which the Soviet Union was then behind, continued to be added, driving up the total.)

Although less celebrated than the Soviet buildup to equality and beyond in numbers of strategic missile launchers, the American deployment of MIRV's was the most notable strategic development. For a decade, but not necessarily beyond, this American deployment far more than offset the Soviet increase in numbers of launchers. By the time the SALT I agreements were signed, the number of operational ICBM and SLBM launchers was 1710 to 2050 in favor of the U.S.S.R.; the total allowed with completed construction was 1710 to 2350. But the number of independently targetable missile warheads was then 3500 to 2050 in favor of the United States. In 1977, while the missile launcher ceiling remained at 1710 to 2350 (with heavy bombers at 450 to 150), the total number of operational independently targetable warheads and bombs was more than 9000 to 4000 in favor of the U.S. But numbers of warheads were not limited by SALT I, and are not likely to be under SALT II.

Comparative assessments of Soviet and American strategic capabilities would require consideration of a host of other factors, including Soviet advantages in missile throw-weight and therefore potential numbers of MIRV's and counterforce potential against ICBM's, and American advantages in missile accuracy and bomber capabilities, with currently superior counterforce capabilities. SALT I did not cap the strategic offensive arms race; it reflected the existing Soviet edge in numbers of ICBM-SLBM launchers in 1972, but it also put a ceiling on that level and stabilized it for five years. It placed no constraints on MIRV.

Public impressions of the strategic balance are important, but they are a poor reflection of the real perceptions of political and military leaders who look beyond static numbers of launchers, warheads, throw-weight, and the like to the "bottom line" in a range of scenarios in which prudence dictates understating one's own capabilities and overestimating those of the other side. And the overlap of prudent hedging by both sides makes the strategic balance much more stable than it may seem to many analysts (to say nothing of estimates—in the West, public ones—marked by selective emphases on an opponent's strengths as justification for one's own military programs).

SALT has required political and military leaders on both sides to delve more deeply into arms control considerations. Indeed, strategic

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arms control has become a more important element in national security planning than ever before. Particularly in the Soviet Union, this has meant an unprecedented involvement of a wider (though still limited) range of civilians in such matters. In the United States—not only owing to SALT—Congress has now mandated the preparation of "arms control impact statements" to accompany major new arms development programs.

But the obverse of this closer relationship has been the tendency to build prospective, or claimed prospective, leverage on SALT and other arms control by increasing or adding military programs which could be traded for concessions from the other side. The hazards of this practice involve arms buildups in the name of arms control, and the difficulty of later "cashing in" such "bargaining chips"—including the fact that one man's (or institution's) bargaining chips are regarded as another's vital interest.[2]

Another aspect of the relationship has been SALT's contribution to a strategic "dialogue" between the two adversaries.[3] Did SALT I contribute to a better mutual understanding, and perhaps to a greater common appreciation of the aims of the other, of needs for strategic stability, and of potentialities for arms control negotiation and agreements to serve common interests in avoiding nuclear war and unnecessary arms competition?

In my judgment, the record is mixed. SALT I did contribute to such a dialogue, by its very existence, and in a number of identifiable specific ways. At the same time, the process of negotiation sometimes distorted the dialogue. Advocacy and defense of one's own positions and proposals, and criticism of those of the other side, may have led to distortions—if only through selective emphases and debating arguments. Matters of agreed positions and those not directly precipitated by the process

[2] Robert J. Bresler and Robert C. Gray, "The Bargaining Chip and SALT," *Political Science Quarterly*, Vol. 92 (Spring 1977), 65-88.

[3] The development of such a dialogue was an objective of at least some American officials—and perhaps some Soviet officials as well—although not a central aim of President Nixon or Dr. Kissinger, nor probably of the senior Soviet leaders. Secretary of State Rogers, on the eve of the SALT talks, stated in an informal speech that, while the nature and forms of possible agreements in SALT were not yet clear, "what counts at this point is that a dialogue is beginning about the management of the strategic relations of the two superpowers on a better, safer, cheaper basis than uncontrolled acquisition of still more weapons." *New York Times*, November 14, 1969. In the Johnson Administration's exchanges with the Soviet leadership on SALT in 1968, both sides had agreed that one purpose of the talks would be "to improve US-Soviet understanding by establishing a continuing process of discussion of issues arising from the strategic situation." This point was reaffirmed by Secretary Rogers in the same address, when he referred to another of the basic objectives of SALT as reducing the risk of war "through a dialogue about issues arising from the strategic situation." *Ibid.*

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of negotiation tended to get short shrift or no attention at all. Another limitation was the Soviet stance, evidently established prior to SALT by the cautious and suspicious military leadership in Moscow, that military doctrine and operational concepts were not a necessary or proper subject for discussion in the negotiations.

On balance, I believe that the SALT I negotiations contributed to better mutual strategic understanding. Certainly the basic agreement on mutual deterrence was of cardinal importance, and discussions leading to the agreement on Measures to Reduce the Risk of the Outbreak of Nuclear War between the U.S. and the U.S.S.R. was useful.

On the other hand, I for one was frankly uneasy at what the Soviets might make of Washington's continual stress on possible incentives to pre-emptive initiation of war if one or another element of strategic forces (primarily fixed, land-based ICBM launchers) of one or the other side were to become vulnerable. Such situations should of course be avoided or minimized; but the actual likelihood of Soviet or American leaders being "attracted" to start a war by any such "incentives" is in my judgment exceedingly low, and should not have been seen or depicted as in a range of serious consideration.

Another example reflects the hazards of changing policies. In the course of the SALT I discussions, the Soviet delegation evinced concern over apparent American programs for improving the accuracy of missiles to the extent of giving them counterforce capabilities. In accordance with authoritatively stated American policy at that time, the U.S. delegation vigorously argued that it was *not* American policy to seek such accuracies, which would be destabilizing. A publicly released letter from President Nixon to Senator Brooke was cited, which stated that the U.S. would *not* develop such capabilities. In 1974, the same President reversed this policy, and programs were announced and pursued to attain the very capabilities previously denounced as destabilizing. Such occurrences suggest the need for considerable caution and restraint in carrying out such a dialogue.

SALT I as Arms Control

The fascinating story of the SALT I negotiations has been told elsewhere.[4] We can now identify some of the principal arms control

[4] The reader is advised to read Ambassador Gerard C. Smith (Chief of the U.S. Delegation in SALT I), *SALT: The First Strategic Arms Negotiation* (New York: Doubleday, forthcoming); John Newhouse, *Cold Dawn: The Story of SALT* (New York: Holt, Rinehart & Winston 1973); and R. Garthoff, "Negotiating with the Russians: Some Lessons from SALT," *International Security*, 1 (Spring 1977), 3-24.

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achievements and failures of SALT I—both in the negotiation process and in the agreements concluded in September 1971 and May 1972.

The principal initial objective of both sides—to limit ABM deployment to strategically insignificant levels—was reached in the ABM Treaty, which is of indefinite duration. The first major qualitative arms control limitations were reached in a series of agreed prohibitions on various types of ABM systems. Testing and deployment of land-mobile, sea-based, air-based, and space-based ABM systems were banned; MIRVed and other multiple ABM warheads were banned; rapid reload systems were banned; and deployment of *future* systems substituting for ABM radars, missiles, or launchers (e.g., laser interception systems) was banned unless agreed upon by both parties. Transfer of ABM systems to other countries and deployment of ABM systems outside the territories of the U.S. and the U.S.S.R. was also banned.

Regrettably, the possibility of dispensing with the small existing ABM deployment at Moscow and the one then being constructed at Grand Forks, North Dakota (for defense of an ICBM complex) was not pursued, foregoing a chance for a real if modest disarmament step. As it was, the U.S. was required to dismantle the ABM radars still in an early stage of construction at Malmstrom Air Force Base, Montana, and the U.S.S.R. was required to dismantle several ABM test launchers which exceeded the 15 allowed at test ranges. (Later, the United States decided for reasons of economy unilaterally to deactivate and partially to dismantle the Grand Forks complex.)

The ABM Treaty was a notable and significant success in arms control. It fully met the original American interest and the main concrete objective of both sides in SALT.

But what of strategic offensive arms? To be sure, as the result of an insistent American stand, an Interim Agreement on Certain Measures with Respect to Strategic Offensive Arms was signed concurrently with the ABM treaty, with a duration of five years. (It expired in October 1977, but both Washington and Moscow in parallel unilateral statements agreed to continue to be bound by its provisions pending expected early conclusion of a SALT II agreement.)

Although it had been the Soviet Union which in 1967 first proposed inclusion of strategic offensive arms, the fact was that during the last year of SALT I the only strategic offensive limitations seriously pursued were American efforts to stop ongoing Soviet programs for increasing the numbers of ICBM and SLBM launchers. Without current or even early prospective U.S. programs to increase the numbers of such launchers (once the effort to limit MIRV's had been abandoned

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by mid-1970), there was no proposed limit on the only ongoing *American* strategic arms buildup to serve as a *quid pro quo* to Soviet limitation. Consequently, the United States sought to use its ABM program not only as a counterpart to Soviet ABM limitation, but also for bargaining leverage on Soviet offensive weapons limitations. I do not fault this negotiating posture, but it helps to explain why the offensive limits were so modest and uneven.

The Interim Agreement gave the Russians practically nothing by way of constraints on American strategic systems. As a "freeze," it yielded only a rather high ceiling on numbers of Soviet ICBM and SLBM launchers (2350), while holding the United States to the level that had not changed since 1967 (1710). The Soviet Union was required to dismantle its 209 older SS-7 and 8 ICBM's in order to be allowed to continue to build up the number of SLBM launchers to a total of 950. Nonetheless, the public perception of a larger number of launchers for the Soviet Union than for the United States, played up in some circles, has been troublesome—notwithstanding other, more than compensating, American advantages not limited by the Agreement.

With respect to additional specific objectives of the two sides on limiting offensive arms, the Soviet Union was not able to gain American acceptance of even the principle of limiting American forward-based nuclear delivery systems capable of striking the Soviet Union (chiefly tactical aircraft in Western Europe and on aircraft carriers stationed near the U.S.S.R.). And the United States was not able to gain Soviet agreement to reduce or even to constrain the throw-weight of existing or replacement Soviet ICBM's (except very loose limits on increases in the size of silo launchers, and a limit of some 300 very large ICBM's). This impasse was not surprising inasmuch as the new Soviet generation of ICBM's with MIRV warheads about to be deployed in 1972—to match the American MIRVed missiles already being deployed in large numbers—would have been entirely pinched off if the proposed American limits on missile and silo size had been applied. Thus, both sides failed to attain many of the limitations on the offensive arms of the other side that they most sought.

Not only did the Interim Agreement impose merely very limited arms control restraints; it was also flawed in its prescriptions and associated negotiating history because of the haphazard and hurried last-minute high-level negotiations by President Nixon and Dr. Kissinger in Moscow during the frantic five days in May that culminated in its signature.[5]

[5] See Garthoff (fn. 4), 14-17.

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Nonetheless, the Interim Agreement was at least a beginning and provided for a modest restraint on strategic offensive ballistic missile launchers, pending the more definitive effort promised for SALT II.

The most *basic* shortcoming of SALT I was failure to reach a comprehensive agreement limiting strategic offensive arms as well as ABM systems. But the most *significant* shortcoming—and it would have been so even if an overall offensive-defensive agreement had been reached—was the failure to ban MIRV's.

Although I have suggested that by 1969 both governments had decided to concentrate in SALT I on limiting ABM's rather than MIRV's, this might not have been the case in 1967 and 1968. A ban on MIRV's may well have been a victim of the Soviet occupation of Czechoslovakia, which aborted the beginning of SALT. In August 1968, the very month of that action, the first American MIRV flight tests took place. By the time a MIRV ban was tepidly advanced by both sides in April 1970, the multi-headed cat was out of the bag; the United States had developed a deployable MIRV—and within weeks began to deploy it.

When SALT was still expected to take place in August 1968, the U.S. did not postpone its MIRV tests. In internal deliberations, no senior official proposed such unilateral restraint. On the other hand, consideration was given to the fact that the tests could have been stopped at any time if progress in the SALT negotiations had warranted. Although the initial SALT position drawn up by the U.S. did not include a ban on MIRV's, there is good reason to believe that the possibility of such a ban had been seriously and favorably considered at the highest levels, and a promising Soviet posture in SALT would have made such a movement possible. Alas, the might-have-beens of history are not worth dwelling upon, except insofar as they may be instructive in the future.

In the spring of 1970, the United States presented as one of two alternative approaches (neither of which survived for more than three months) a ban on MIRV deployment to be verified by on-site inspection (known to be anathema to the Soviets), and without a ban on MIRV production. The Soviet proposal called for a ban on production of MIRV's, but not on flight-testing. The U.S.S.R. was unwilling to leave the U.S. with the advantage of a fully developed and tested system without the right to catch up to America in technological development. And of course the Soviet Union was not prepared to permit unlimited production by the United States even with a ban on deployment; nor would the Russians consider on-site inspection. (On-site inspection had

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been favored by the Pentagon, but was not part of the basic inter-agency proposals presented to the National Security Council. The agencies most concerned with monitoring verification did not favor a provision for on-site inspection, and there were serious reservations within the American military establishment as well. *Subsequent* studies demonstrated that on-site inspection would have been virtually useless unless it was massive and permanent since, within a few hours, non-MIRVed nosecones could be switched onto any missiles due to be inspected. Some advocates no doubt assumed that on-site inspection would be useful; others perhaps were mesmerized by the long, futile quest for it in disarmament talks; but still others, who simply opposed a limitation on U.S. MIRV's, recognized very well that it was a "spoiler." President Nixon rejected the proposal of his prestigious General Advisory Committee headed by John J. McCloy, which had suggested proposing a MIRV ban without on-site inspection; Nixon preferred the advice of—among others—Spiro Agnew and John Mitchell, both of whom advocated a provision for on-site inspection.)[6] Neither the U.S. nor the U.S.S.R. showed sufficient interest in pursuing a MIRV ban in 1970 even to make the obvious compromise proposal (suggested to Washington by the American delegation) of a comprehensive ban on MIRV testing, production, and deployment, without on-site inspection. The Soviets might still have balked if they feared possible secret American evasion; but never having asked, we shall never know.

The first half of 1970 was a particularly critical juncture for decisions on MIRV. At that time, the United States decided on and made a public commitment to proceed promptly with deployment; meanwhile, the Soviet decision-making cycle on weapons development and procurement for 1971–1975 (the next Five-Year Plan) was in gestation. American analysts and policy makers have given too little attention to the patterns—and rigidities—of Soviet bureaucratic decision making and to their impact on bureaucratic politics. The basic Soviet decisions on SS-17, 18, and 19 MIRVed ICBM *deployment* were made precisely in 1970, in a context where the possibility of a MIRV ban had just been abandoned by both sides. Once set in motion, such decisions are very difficult to reverse or even to modify significantly. (We saw this again in early 1977, in the rebuff given to President Carter's attempt to advance new proposals for sizeable reductions. Such reductions in heavy

[6] If any thought had been given to making a later "concession" by dropping on-site inspection *if* the Soviets showed interest in a MIRV ban (as may have been in Dr. Kissinger's mind), it was a badly misplaced idea, as Washington gave the Soviets no reason to believe it was seriously interested in a MIRV ban.

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ICBM and MIRVed ICBM levels would have required sharp cutbacks in Soviet deployment plans under the 1976–1980 Five-Year Plan, which had been predicated on the levels allowed by the bilateral "commitment"—as the Soviets saw it—under the 1974 Vladivostok accord.)

One of the more interesting, if secondary, elements of the SALT dialogue was the joint consideration of measures that could be taken to reduce the risk of war arising from accident, misunderstanding, or third-power provocation. The United States declined to enter an agreement specifically directed against provocative efforts by a third nuclear power to "catalyze" a Soviet-American war; but agreement was reached on "Measures to Reduce the Risk of the Outbreak of Nuclear War between the United States of America and the Union of Soviet Socialist Republics," signed by Secretary Rogers and Foreign Minister Gromyko in September 1971. At the same time, and with the same end in view, technical talks led to an agreement to upgrade the "hot line" first established in 1963, by shifting from reliance on cable and radio circuits to use of communications satellites.

Another aspect of the strategic and arms control relationships between the two countries which was significantly buttressed by the SALT I agreements was the explicit acceptance of the legitimacy of national technical means of verification—that is to say, strategic reconnaissance—and the assumption of an obligation not to interfere with such systems or their effectiveness. The development of such means, including satellite reconnaissance, had in the early 1960's contributed silently to making earlier arms control agreements possible; SALT I marked the first explicit endorsement and agreement not to impede such means in the future.

Another innovation of proven value (and perhaps greater potential) was the creation of a Standing Consultative Committee (S.C.C.) to implement technical details of the ABM Treaty and the Interim Agreement (for example, by later agreeing on precise dismantling procedures for launchers and other armaments covered by replacement provisions of the agreements). It also serves as a forum for raising and clarifying ambiguous developments which could be construed as inconsistent with the agreements. The S.C.C. is a separate body from the SALT delegations. It has discharged its responsibilities effectively, although for a time matters concerning possible inconsistencies or violations were raised separately through other channels before being taken up by the S.C.C. It remains to be seen whether the role of the S.C.C., the charter of which is intentionally flexible, will be expanded in the future.

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SALT I Achievements

1. *Recognition by the U.S.S.R.—and the U.S.—of the futility and risks of an unconstrained strategic arms race is a substantial achievement.* Strategic arms competition continues; the limitations on offensive arms, in contrast to those on strategic missile defenses, agreed upon in SALT I were indeed modest. But the very decision to launch SALT, and the readiness and ability to deal realistically and constructively on matters of highest national security sensitivity, on a basis of acceptance of *parity, equal security*, and *mutual deterrence* is in historic terms a major achievement. It reflected agreement that the risks of agreed restraints—and to a degree, of joint strategic planning—were adjudged to be less than the risks (and costs) of unrestrained competition.

2. *Limitation of ballistic missile defenses to strategically insignificant levels assures mutual deterrence.* The severe curtailment of ABM defenses contributed to a potential restraint on offensive systems (not notably evident to date); it also saved many millions of dollars (not merely the $5 billion in immediate cutbacks of U.S. programmed expenditures).

At the time SALT began, the United States estimated that by the mid-1970's the Soviet Union might deploy 5000 to 9000 ABM missile launchers in a nationwide defense system. This reflected, and further contributed to, uncertainties in intelligence estimates, which were resolved by assuming the more ominous of alternatives, thereby affecting U.S. judgment on Soviet intentions as well as influencing American military requirements. The ABM Treaty of 1972 (and additional Protocol signed in 1974) reduced the allowable Soviet deployment to no more than 100 ABM launchers at a single complex. The Treaty is of indefinite duration. Unstable and ominous estimates for the future are reduced by a high degree of confidence that the Soviet Union will in fact remain limited to this very small deployment. (In fact, the Soviets have to date not even built up to that low level, remaining at the 64 launchers operational in 1969.) Similarly, the Soviets have the assurance that the United States will not build up ABM defenses.

Most significant, the ABM limitation reflected and consolidated Soviet acceptance of mutual deterrence. This acceptance is all the more remarkable because of the strong Soviet tradition of high priority to home defenses, still evident in the massive Soviet air defenses and

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large civil defense effort (which in part are also directed against powers other than the United States).

3. *SALT has contributed to reduced tensions and to political détente.* It is regrettable that détente and SALT were oversold in 1972, and then undervalued when the pendulum swung the other way a few years later. But apart from playing a role in the then current political programs of President Nixon and General Secretary Brezhnev, and despite suspicions aroused by political opponents and cold warriors, SALT I did lend impetus to a long-term trend of improving relations and finding means of negotiation to substitute for confrontation—precisely what was needed in areas of continuing competition. SALT has contributed to building a greater stake in the resolution of political conflicts on a basis of acceptance of strategic parity.

4. *SALT I launched and provided a basis for continuing negotiations on strategic arms limitation and measures to enhance strategic stability.* Notwithstanding the slow and uneven progress of SALT II (at least to the time of this writing), the flawed and weak Interim Agreement, and the persistence of serious differences over a number of aspects of strategic arms limitation, the task *was* launched by SALT I and was shown not to be impossible. A long-term agreement on strategic offensive limitation and substantial equitable reductions in strategic arms remains the principal objective to be addressed. Other useful possibilities are indicated by the SALT I Agreement on Measures to Reduce the Risk of the Outbreak of Nuclear War.

5. *Strategic arms control has entered national security planning.* Quite apart from the need to adjust and to realign current and future military programs in order to meet specific provisions of the SALT agreements, SALT has compelled a much closer involvement of the top-level political and military leaders in a wide range of military planning. At various levels, the need for internal political-military cooperation and consideration broke new ground in Moscow and enhanced existing links in Washington. Arms control can no longer be pigeonholed as a matter for disarmament specialists; it is more widely recognized as a dimension of military policy—and of foreign policy.

6. *Acceptance and assurance of national means of verification is a major accomplishment.* The explicit acceptance of "national technical means of verification," that is, of unilateral means of strategic recon-

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naissance, and of an obligation not to interfere with or impede them, is of major arms control—and political—significance. It not only broke the Gordian knot on verification for SALT and other problems of arms control, dispelling the lingering ghost of hostility to "spies in the sky"; it also reflected and contributed to the emergence of incipient collaborative strategic planning between the two great adversaries.

7. *The two powers agreed upon major qualitative arms controls and limitations on future systems.* In previous arms control agreements, only a few rather far-fetched systems not yet developed had been banned (e.g., stationing of weapons of mass destruction in outer space or on the seabeds). The specific banning of a wide range of currently possible and future potential ballistic missile defense systems surrounded the ABM limitations with a zone precluding circumvention of the Treaty's clear prescription that the territories of the United States and the Soviet Union would not be defended against the main means of strategic nuclear retaliation. In addition, a precedent was set for limitations on strategic offensive systems, including future types of systems, missile flight tests, multiple warheads, rapid reload systems, and numbers, kinds, and locations of test launchers.

8. *Agreement on measures to reduce the risk of the outbreak of nuclear war by accident or other incidents contributes to crisis management.* The Agreement negotiated in SALT I and signed in September 1971 should contribute to reducing the risk of war by accident, miscalculation, or escalation through inadvertence; it further contributes to cooperative strategic planning. (For example, the S.C.C. has worked out pre-positioned messages covering various contingencies, to facilitate rapid communication in crises.)

The upgrading of the Moscow-Washington Direct Communications Link by means of satellite communications was also a useful development for crisis management negotiated in the course of SALT I.

A third agreement, negotiated separately from but parallel with SALT and also signed in May 1972, concerned measures to avert incidents at sea between the two navies. It has been notably successful in reducing the number of such incidents; without fanfare, it has provided for periodic joint discussions on further measures to enhance its effectiveness.

9. *The establishment of the Standing Consultative Commission provides a forum for, and the presumption of, consultation.* Consultation

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is no assurance of an easy resolution of differences or suspicions, but it offers both a standing body and a presumption that this mechanism will be used to seek to resolve ambiguities and uncertainties. (The S.C.C. is essentially technical; the American Commissioner has been a civilian and his deputy a military man, while the Soviet Commissioner has been a General officer with a civilian deputy.) In my judgment, the institution has considerably broader potential than has so far been utilized; SALT I established it with a flexible mandate, and it was undoubtedly wise to begin with a limited and clear agenda of tasks. The S.C.C. has done a very good job.

The S.C.C. also served as the forum for the first five-year review conference on the ABM Treaty, held in 1977 as called for by terms of the Treaty.

10. *Effective bilateral negotiation has been possible without impairing the confidence of America's Allies.* Prior to SALT and throughout SALT I, close consultation and extensive briefing of our NATO and ANZUS Allies and Japan, and American readiness to take account of valid Allied interests and concerns, contributed to preventing SALT from becoming a divisive or weakening element in U.S. Alliances. (The Soviet Union has not been expected by its Warsaw Pact associates to provide this kind of consultation.)

SALT I Failures and Shortcomings

1. *SALT I failed to achieve (or even to pursue) a MIRV ban.* Perhaps the judgment in 1969–1970 was correct that an ABM limitation was "all the traffic would bear" in institutional politics in Washington; but it is doubtful, and it was never tested. Perhaps, too, by the end of 1969—after nearly a year and a half of successful American MIRV system testing and development—it was too late for a ban. But that possibility is also doubtful and was never tested. The blame must rest on both sides, but especially on the United States, which alone had the ability and opportunity in 1968, 1969, or 1970 to postpone or curtail MIRV testing, or to propose a bilateral moratorium. Even without those restraints (with whatever risks of conceding an advantage in time), the U.S. could have proposed in late 1969 or early 1970 a real and equitable comprehensive ban on further flight testing, production, and deployment of MIRV's, without the demand for an unneeded (and for that matter ineffectual) on-site inspection, which invited certain Soviet rejection of the idea of a MIRV ban.

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Limitations on MIRV are still possible, but it is almost certainly too late for a complete ban: MIRVed systems have been developed and tested by both sides (though still with a major American lead); over 1000 American MIRVed missiles with 6000-7000 MIRV warheads are operationally deployed, and there is a smaller but growing number of Soviet MIRVed missiles.[7]

Too late is it now evident that *without* MIRV, the much-feared larger Soviet throw-weight missiles would have little meaning, except perhaps "more rubble for the ruble." Even those who would analyze in terms of a delicate deterrent balance would have to concede that, without MIRV's (and even with improved accuracies coupled with the larger yield of heavy ICBM's), a successful Soviet surprise attack would have to consume the whole force of 1400 Soviet ICBM's to have high assurance of destroying the 1050 American ICBM launchers—assuming that the U.S. ICBM's were withheld to ride out the attack, which prudent Moscow planners might not be ready to assume—leaving untouched the greater part of the American strategic forces at sea or airborne. That prospect could hardly be "attractive" even to the mythical Russian roulette gamesmen sometimes conjured up for such scenarios. But such was the MIRV-less world we were too timid to face in 1970.

By early 1970, the White House had ruled out a moratorium on MIRV tests. Plans for deployment had been prepared but not yet announced; nor had implementation begun. Advocacy of a MIRV ban was in fact predominant in the Executive Agencies and the distinguished General Advisory Committee; the sense of the Senate had been so recorded. But the Administration decided not to pursue a ban. From among those who contributed to the course of actual events, we have Dr. Kissinger's plaintive statement in a "backgrounder" in 1974: "I would say in retrospect that I wish I had thought through the implications of a MIRVed world more thoughtfully in 1969 and 1970 than I did."[8]

The failure to ban MIRV does not vitiate the important principal achievements of SALT I, but it was a historic failure. And it has cast a heavy burden on SALT II.

2. *Bargaining chips: the way to limit arms is to increase them.* One cannot dismiss the relevance and importance of bargaining leverage

[7] There are those who believe that even now a complete ban of further MIRV-MRV flight-testing could so weaken confidence over time that a MIRV ban could be made effective.

[8] Secretary of State Henry A. Kissinger, transcript of press backgrounder, December 3, 1974.

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in a negotiation. The ongoing American ABM deployment, plus the possibility of a major future expansion of such deployments, did provide bargaining leverage in SALT I. Moreover, the absence of additional construction of ICBM or SLBM launchers in the United States left a gap in bargaining leverage for limits on the number of Soviet launchers. But what a bargaining chip our ongoing MIRV deployment would have been in 1970–1972! *There* was worthy leverage to limit sizes and reduce numbers of Soviet ICBM's and SLBM's.

The artificial use of potential arms control as bargaining leverage provided an argument for proceeding with military programs on which many of its advocates would probably never have agreed to "cash in." It was a major shortcoming stemming from SALT, though obviously by no means required by it.

Military authorities on both sides clearly used their agreement to SALT I limitations as leverage to support increased efforts in unrestrained areas. In the American case, at least, this practice had been established at the time of the Limited Test Ban Treaty in 1963, but it was carried even further after SALT I in 1972. For whatever reasons, top political leaders readily supported these efforts. (In fact, they even colluded in an informal exchange at the May 1972 summit by noting that they were free to proceed to do whatever was *not* explicitly limited. This argument was later used publicly by President Nixon who attributed it to Brezhnev as though it bespoke a dark Soviet purpose—unaccountably disclosed?—which the U.S. must emulate.)

"Bargaining chipology" as a branch of military programming is pernicious in several respects; among others, such an approach can have an important negative impact on reaching mutually advantageous strategic arms limitations. The prime example was the decision in 1972—scarcely noted at the time—to begin research and development on strategic cruise missiles. There was no strategic need, but the research looked technically promising, relatively inexpensive, and was part of the pursuit of everything not explicitly limited. Moreover, it could "always" be used as a bargaining chip. In 1976, Dr. Kissinger, one of the authors of this approach, wondered: "How was I to know the military would come to love it [the strategic cruise missile]?" He admitted that he himself had pushed the Pentagon to develop cruise missiles as a bargaining chip several years earlier.[9]

[9] See Leslie H. Gelb, "Another U.S. Compromise Position Is Reported Reached on Strategic Arms," *New York Times*, February 17, 1976; also see Gelb, "Cruise Missiles Provoke Conflict within the Military as Well as with Soviet," *New York Times*, January 21, 1976.

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At least on the American side, the real interest in supporting military programs led to a tendency to narrow the focus to hardware as the *only* bargaining chip. Consequently, a major bargaining chip was given away free in 1973, when the U.S., without exacting a *quid pro quo* in SALT, accepted the Agreement on Prevention of Nuclear War which the Soviets wanted.

3. *The separation of offensive from defensive limitations in SALT I was a mistake.* In retrospect, at least, it was a major error to move to a separate ABM Treaty and very limited interim offensive restraint in the agreement secretly negotiated by the White House and the Kremlin and announced on May 20, 1971. The dilemma was real: the limitation on ABM's was important and intrinsically justified as a separate agreement, even without any interim offensive limitations. The negotiations in 1970–1971 were stalemated, and the Soviets (who in 1967 had insisted on defensive-offensive linkage) had proposed separating out ABM limitation for agreement first, and then turning to the more complex offensive issues. That solution, from the point of negotiating strategy, was not as good as the course decided upon in the May 20th agreement. But there were alternatives left unexplored. Compromise on a comprehensive offensive and defensive agreement between the American position of August 1970 and the Soviet position was not adequately probed, to say nothing of the far more promising alternative of a really comprehensive offensive-defensive agreement that would have banned MIRV. It was a case of taking "the easy way," despite President Nixon's frequent injunctions, in other contexts, against that practice. (Not that even the negotiation of May 1971 to May 1972 was easy—especially since it had been badly prejudiced by overconfident and unadvised high-level negotiations in the period leading up to the May 1971 "breakthrough."[10]

The sad tale of SALT II in the subsequent five years bears sufficient witness to the deficiencies of the shortcut of May 1971 and its product, the Interim Agreement of May 1972.

4. *The oversell of détente and SALT I prompted later undervaluation.* SALT was the centerpiece of the Moscow summit of May 1972. Its fortunes rose and fell along with Nixon's policies and politics of détente—a pitfall for SALT, but not an intrinsic shortcoming.

In one respect, however, such criticism directed at SALT I was merited: not only were the remaining differences in the Interim Agree-

[10] See Garthoff (fn. 4), 8-15.

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ment's offensive limitations badly handled at Moscow in those frantic "five days in May"; they were also not correctly interpreted by some witnesses (not members of the SALT delegation) who testified before the Senate or issued pronouncements without testifying. Critics of SALT I such as Senator Jackson have a legitimate complaint when they point to certain misleading inferences by some of the Administration's spokesmen. Such sleights of hand redounded undeservedly to the detriment of SALT when some of the over-claims were refuted by subsequent developments. Later, some critics professed to see Soviet "violations" of undertakings to which the Soviets had never agreed; but others have recognized these developments as refutations of misleading claims by the Administration in supporting the SALT I agreements. These overstatements constituted a serious disservice to the agreements, which—even with all their imperfections and shortcomings—stood well enough on their true merits as an alternative to no accord at all.

5. *The strategic dialogue was not developed fully.* It may be cavilling to criticize the SALT negotiations for not doing more, when I have praised certain achievements in reaching strategic understanding. Actually, crucial agreement on strategic understanding in major areas had been reached in Moscow and Washington by the time the talks began; the negotiations built on them but did not expand them as much as would have been desirable. Some misunderstandings may in fact have arisen from the exchanges. I would note as a shortcoming—not as a failure—that more was not achieved in broadening and deepening strategic understanding, and would hope that such understanding will develop in the future. Regrettably, SALT II has been even more arid to date than SALT I was in this respect.

SALT *has* widened the area of discourse on strategic matters in the Soviet Union, and perhaps has strengthened somewhat the base for official and unofficial discussions outside the SALT negotiating forum itself. Perhaps this will prove mutually beneficial in the long run.

6. *SALT I failed to achieve (or even to pursue) a complete ABM ban.* I would list the lack of a complete ban on the ABM as a failure—a possible missed opportunity of SALT I, parallel in many ways to the case of the MIRV ban, but far less consequential. If it had been achieved, it would, in a sense, have been the frosting on the ABM Treaty cake.

Zero ABM would have been possible, especially if it had been pro-

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posed at the outset as the preferred American position. But it was not the preferred White House position; indeed, after some equivocation, its pursuit was abandoned as soon as the Soviets began to show interest.

In a parallel to the MIRV ban, the White House decided it could overrule the Pentagon either on banning future ABM systems or on seeking a complete current ABM ban, but not on both. If that choice was really necessary (which I doubt), I believe the right choice was made; but was it necessary? Even less justifiable was President Nixon's effort to salvage a part of the Safeguard system on which so much political capital had been spent. Senate advocates of Safeguard, as well as critics of SALT such as Senator Jackson, had made clear their recognition that a complete ABM ban would be preferable to a meaningless one- or two-site rump Safeguard system.

The chief merits of a complete ban on the ABM would have been the opportunity to include a provision banning all ABM system developmental testing; achievement of a measure of real disarmament; and enhancement of the British and French (and Chinese) deterrent missile capabilities. On the Soviet side, to be sure, it would have meant giving up the existing modest defense of Moscow against an accidental or small third-country attack. On the American side, it would have saved at least half a billion dollars spent in completing, and then promptly mothballing, the one ABM complex at Grand Forks.

Zero ABM now is highly unlikely; the U.S.S.R. sees advantages in keeping the Moscow deployment, and the U.S. has already progressed to zero deployment unilaterally and has no bargaining chip.

Some Concluding Observations

It is evident that, on balance, I believe SALT I represents a major positive achievement, despite some shortcomings.

On some aspects of SALT the verdict is still unclear or premature. Will SALT II (or III) repair in some degree the opportunity lost in SALT I to ban MIRV's? Will the salutary effects of the interrelationship of SALT with national security planning predominate over the baneful effects of carrying a bucket of bargaining chips on one's shoulder? Will improved mutual strategic understanding develop from SALT—or essentially without respect to SALT, or not at all? Will SALT give favorable impetus to other bilateral, and multilateral, arms control and arms limitation negotiations? These are questions we must leave to the future.

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BASES OF POWER IN CHINESE POLITICS: A Theory and an Analysis of the Fall of the "Gang of Four"

By LOWELL DITTMER*

ONE of the principal claims made on behalf of Mao Tse-tung as an innovator in the development of Marxism-Leninism derives from the relative importance Mao ascribed to ideology in inducing historical change. "True, the productive forces, practice, and economic base generally play the principal and decisive role; whoever denies this is not a materialist," he wrote in 1937. "But it must also be admitted that in certain conditions, such aspects as the relations of production, theory, and the superstructure in turn manifest themselves in the principal and decisive role."[1] Indeed, a strong case can be made that Marxism's ideological penetration of China via a discontented stratum of intellectuals both anticipated and helped to precipitate the revolution it had forecast on the basis of sometimes missing material preconditions. That revolution's successful consummation enabled the Communist Party to impose a sweeping transformation on Chinese society, forcing history to conform to the Party's ideological preconceptions of socioeconomic development. Not only has ideological change been in the forefront of materialist change, but Mao Tse-tung's own brilliance in formulating the variant of Marxism-Leninism that took into account the salient peculiarities of the Chinese situation played a considerable role in his own rise to leadership and to international renown. All of these factors have led Western analysts to attribute great weight and autonomy to ideology as a political force in China.[2]

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[1] Mao Tse-tung, "On Contradiction," in *Selected Works of Mao Tse-tung*, I (Peking: Foreign Languages Press 1965), 336; emphasis added. Many years later, Mao made the following highly critical comments on Stalin's *Economic Problems of Socialism* (1952): "From the beginning to the end, this book of Stalin's has not touched upon superstructure. It has not considered man. It saw things but not man." *Mao Tse-tung ssu-hsiang wan-sui* [Long Live Mao Tse-tung's Thought] hereafter cited as *Wan-sui* (1967), 156. Unless otherwise noted, translations from the Chinese are my own.

[2] There are two conceivable reasons for this heavy emphasis on the importance of the ideological superstructure. First, those who look at Chinese history from the perspective

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In this paper, I will argue that the somewhat special cricumstances of the revolution have led many scholars to overstate the independent importance of ideology in the People's Republic and to neglect its underlying material substructure. Perhaps nowhere is the folly of such an imbalanced focus more evident than in the overestimation of the strength and staying power of the radical ideologues Wang Hung-wen, Chang Ch'un-ch'iao, Chiang Ch'ing, and Yao Wen-yüan, now polemically referred to as the "Gang of Four." The arrest of these Four with their closest collaborators on October 6, 1976 (even before the end of the official 40-day mourning period for Mao), seems to have precipitated a sudden and total collapse of active support for them. It proved wrong those of us who had predicted either a continuing *modus vivendi* of some sort or a prolonged "two-line struggle" similar to that of the Cultural Revolution.[3] How is it possible that the Four could have so little power even after having occupied seats on the leading Party and government councils for the past several years, whereas Teng Hsiao-p'ing continued to exert influence and exact deference from the leadership even after having been shorn of all leadership positions for a second time? Underlying this question is a more basic one: What is the source of power in Chinese politics? Previous attempts to explain the fall of the Gang of Four have failed to come to grips with this question, preferring to treat the episode as a sort of political *chronique scandaleuse*.

In the first part of this paper, I advance a theory of the substructure of Chinese politics. I will attempt to show how political power—which is under normal circumstances the *prerequisite* to ideological influence in a system in which the communications media are monopolized by elites—is generated, cultivated, and mobilized. In the second part, I show how this theory enables us to understand the situation of the Gang of Four from the time of their spectacular rise to their no less spectacular fall. I shall contend specifically that the unusual "backgrounds"

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of the 20th century as a whole and from the perspective of Chinese tradition cannot help but be impressed by the salience of ideology. Those who look at Chinese politics at close range in a shorter time frame will tend to downgrade its importance. Second, the scarcity of reliable sources inclined earlier analysts to seize upon the most readily available data—i.e., the works of Mao. The large volume of materials to have emerged since then, particularly since 1966, naturally directs our attention to the darker side of politics.

[3] The Chinese authorities have subsequently maintained that supporters of the Gang of Four fomented unrest in a number of cities, but this seems to be an oversimplification of a situation that has sporadically characterized China's industrial sector ever since the Cultural Revolution. Cf. Oskar Weggel, ' "Bewaffnete Unruhen' in China: Wirklichkeit oder Propagandamunition im Kampf gegen die 'Vier'?" *China Aktuell*, VI (February 1977), 46-56.

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of the Four (a term to be more precisely defined) placed severe constraints on their activities and left them vulnerable in spite of their high positions and temporary powers. The Four are of interest, then, not as unique personalities or even as participants in certain crucial historical episodes, but as role occupants in a particular elite structure; as such, they help to define the potentialities of the roles they played and to illuminate the developmental propensities of that structure. The roles they played combine aspects of the autocratic "favorite" with aspects of the populist demagogue, just as the structure in which these roles were situated combines autocratic and populist tendencies. The Four emerge as ambiguous and perhaps transitional figures in the ongoing institutionalization of the Chinese revolution.

The Bases of Power

Although China is not in any meaningful sense an electoral democracy, political power does rest ultimately on an *influential constituency*. It may be an elite or a mass constituency, organized or diffuse, armed or civilian; but to be "influential," it must possess two characteristics: it must be mobilizable—that is, it must be capable of expressing (or withholding) its support; and it must be relatively indispensable—that is, its support must be considered crucial to the effective functioning of the political system. These two criteria can be only partially defined on the basis of objective indicators, such as troop strength or proximity to the capital. They are also defined by the general political milieu, which includes such intangibles as the relative power and perceived self-interest of rival constituencies, the standard of living and mood of the public, and the prevailing international climate. For example, the power of the People's Liberation Army as a constituency was magnified by the destruction of the Party and state apparatus during the Cultural Revolution and by the Sino-Soviet border clashes of the spring of 1969, both of which enhanced the army's indispensability and mobilizability. But it was later impaired by Lin Piao's attempt at a coup and perhaps by the poor harvest of 1972;[4] the influence of professional bureaucrats was concomitantly enhanced. The mobilizability of young people was reduced by the T'angshan earthquake and by the generally depressing economic situation of the summer of 1976, as well as by the persistence

[4] The New Year's *People's Daily–Red Flag–Liberation Army Daily* joint editorial (January 1, 1973) revealed that after ten good years, the harvest of 1972 had fallen short by 4%, mainly because of drought. China had to buy five million tons of grain in 1972, chiefly from Canada. Industrial growth had not increased at the pace expected, either.

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of a divisive factionalism that hampered them from coordinating their efforts toward common goals.

According to politically conscious Chinese, there are two different *types* of power in Chinese politics, each resting on a particular political constituency.[5] *Ch'üan-li* represents official power—the power that automatically accompanies certain ranks and posts in the Party or state hierarchies; *shih-li* represents personal influence, which accrues to a leader by dint of his prestige [*wei-hsin*] and qualifications [*tzu-ke*]. Though somewhat evocative of the Weberian distinction between *Herrschaft* (authority) and *Macht* (power), the most precise analogy to these Chinese terms is the distinction drawn in organization theory between "formal" and "informal" power.[6] Both formal power [*ch'üan-li*] and informal power [*shih-li*] demand compliance, allocate benefits, and thereby engender constituencies; but the constituencies are bound to their leaders by different bonds of loyalty and have correspondingly different utilities. Formal power provides an official with access to a constituency of *t'ung-shih kuan-hsi* and *shang-hsia kuan-hsi*, referring respectively to collegial relationships and superior-subordinate relationships. The latter include functionally or geographically specific client-publics at the mass level who are dependent on the patron agency for policy outputs.[7] These horizontal and vertical relationships are specific to a given bureaucratic role and are therefore relatively brief and expediential, easily passed on to the next occupant of the same role. Informal power, on the other hand, rests on an *ad hoc* group of supporters that the Chinese call a "political base" [*cheng-chih chi-ch'u*], a term that corresponds roughly to what Western scholars have referred to as a "loyalty system" or "informal group." This base consists of the long-term, diffuse, and relatively disinterested alliances that an actor collects along his recruitment path into the central decision-making arena.

Formal and informal power are conceptually distinct in the sense

[5] Much of the following is based on interviews conducted in Hong Kong with refugee (or legal emigrant) informants from the People's Republic of China in the spring of 1977.

[6] For Weber, the distinguishing property of authority is *legitimacy*, which refers to the probability of compliance without resort to coercion. But according to my Chinese informants, *ch'üan-li* without *shih-li* commands less legitimacy (in this sense) than *shih-li* without *ch'üan-li*. Cf. Lloyd I. Rudolph and Susanne Hoeber Rudolph, "Modern and Traditional Administration Re-examined: A Revisionist Interpretation of Weber on Bureaucracy," unpub. paper presented at International Political Science Association, Montreal, August 23, 1973, pp. 17-24.

[7] For example, the client public of the Central Committee's Department of Culture and Propaganda is China's community of intellectuals; the client public of the Shanghai Municipal Party Committee is the city of Shanghai, etc.

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that a high official in a figurehead position may have the former without the latter, just as a secret society chieftain or faction leader may have the latter without the former. Yet they are closely interdependent, and a prudent political actor will strive to acquire both. An actor's formal career will to a considerable extent be prefigured by the strength and dimensions of his informal power base.[8] Thus Liu Shao-ch'i was consistently identified with the Party apparatus from 1949 until his purge in October 1968, not because of the formal positions he held (in fact, his highest post, that of Chairman of the People's Republic, was a state rather than a Party position), but because he had been the leading organizer of the network of Communist Party branches, labor unions, and various student and "front" organizations in the "White" or enemy-occupied areas during the second and third civil wars and the War of National Resistance; these organizations formed the skeleton onto which the civilian Party organization was later grafted. Similarly, Mao Tse-tung was consistently identified with China's peasant masses and with a peasant-based Red Army, largely because his own rise to leadership was accompanied by a reorientation from an urban insurrectionist to a rural guerrilla strategy; he expressed his confidence in the continued reliability of that base in his occasional threats to desert the established leadership and raise another guerrilla army. Mao's later tendency to become alienated from the civilian bureaucracy and to resort to mobilization of the masses and the army may in part be attributable to the location of his informal power base, and to the greater allegiance the Party *apparatchiki* rendered to Liu Shao-ch'i and Teng Hsiao-p'ing. Chou En-lai's primary political base was of course the State Council and the government apparatus under it—partly because of his 26-year tenure as Premier, but also because the organization of the People's Government was a direct outgrowth of Chou's wartime efforts to hold the second united front together in Chungking. However, Chou's background also included a stint as the leading Communist student organizer in France, a prominent role in the founding and early leadership of the Red Army, and several decades as China's leading representative on the world stage (long antedating his ten years as Foreign Minister). In each of these positions Chou established informal constituencies on which he was able to rely as bases of support. Similarly, Chinese political actors with professional military experience have tended to remain identified with the Field Armies in which they served

[8] Tang Tsou has called attention to the importance of the "transformation of informal rules, groups and processes into formal ones" in his "Prolegomenon to the Study of Informal Groups in CCP Politics," *China Quarterly*, No. 65 (March 1976), 98-114.

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during the long and unbroken series of wars preceding the Party's accession to power.[9]

Just as an actor's formal power base rests to a considerable extent on his informal power base, his informal power base consists of an accretion of the alliances forged during his tour of duty in a series of formal positions. This series of positions is known among Chinese as an actor's "background" [*pei-ching*]. As in any life history, some background experiences are more crucial than others in forming strong ties: the trust established through years of shared sacrifice for a cause and the camaraderie engendered by risking death together or owing one's life to another have forged bonds of great durability;[10] other, less celebrated but equally adhesive background factors include kinship ties, common geographic roots, and early patron-client obligations.[11] But these bonds, once forged, must subsequently be cultivated if they are to develop. This necessity places certain constraints on the policy or ideological positions an actor may safely adopt in the formal decision-making arena: in deciding where to throw his support, he must give some consideration to serving the interests of his constituency. He may serve those interests by supplying it with patronage, funding, or other material benefits; he may also provide legitimation by formulating ideological programs that attribute broad, systemic significance to that constituency, or by celebrating its status in ritual ceremonies.[12] These acts

[9] Cf. William Whitson, "The Field Army in Chinese Communist Military Politics," *China Quarterly*, No. 37 (January-March 1969), 1-30; and Whitson, *The Chinese High Command: A History of Communist Military Politics, 1929–1971* (London: Macmillan 1973). The general accuracy of the Field Army hypothesis was borne out by the pattern of purges following the fall of Lin Piao; the overwhelming majority of those affected had been Lin's close followers since the days of the Fourth Field Army. However, as William Parish has pointed out, the Field Army loyalty system has greater impact on recruitment patterns and factional behavior during a crisis than during more stable periods. See Parish, "Factions in Chinese Military Politics," *China Quarterly*, No. 56 (October-December 1937), 667-99; and Whitson's gracious reply, "Statistics and the Field Army Loyalty System," *China Quarterly*, No. 57 (January-March 1974), 146-48.

[10] These sentiments have been memorialized in two collections, *Hung-ch'i p'iao-p'iao* [The Red Flag Waves] (Peking: Chinese Youth League 1958), and *Hsing-huo liao-yuan* [A Single Spark Can Light a Prairie Fire] (Peking: People's Publishers 1962).

[11] There seems to be some continuity of the ties referred to in the traditional Chinese bureaucracy as the five *t'ung* (same) relationships: *t'ung chung* (same surname, therefore presumptively the same ancestors), *t'ung chu* (same clan or kinship network), *t'ung hsiang* (same native place, which may be district, county, or province), *t'ung hsüeh* (attendance at same school, or study under same teacher, not necessarily at the same time), and *t'ung shih* (members of the same department or having similar career affiliations). Cf. Andrew J. Nathan, "'Connections' in Chinese Politics: Political Recruitment and Kuan-hsi in Late Ch'ing and Early Republican China" (paper delivered at the 87th Annual Meeting of the American Historical Association, New Orleans, December 1972).

[12] The commemoration of various anniversaries and some holidays may be used to celebrate the prominence and solidarity of those involved in the original event. For ex-

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of cultivation are referred to as making a "contribution" [*kung-hsien*] to the constituency in question. A political actor's ability to cultivate a constituency depends on his ability to serve its interests through the provision of favors, and hence *inter alia* upon a successful formal career; conversely, his ability to rise in the hierarchy depends to a considerable degree on the strength of his informal constituency. It should be emphasized, however, that an actor's political stance on a particular policy issue cannot be predicted with any confidence on the basis of a direct extrapolation of the interests of his political constituency: if he has accumulated sufficient power, he may ignore the interests of his own constituency and support decisions favorable to the interests of another constituency whose support he may wish to court. He may even make decisions on the basis of ideology, morality, or some other universalistic and disinterested criterion, though to do so frequently in utter disregard of the availability of constituencies would court disaster. A certain modicum of attention to cultivation is dictated by the need for survival, and beyond this modicum there is considerable variability according to the nature of the situation and the temperamental, policy, or ideological proclivities of the actor. Mao Tse-tung was particularly noteworthy for the nonchalance with which he abandoned successive constituencies, as well as for the political skill and *éclat* with which he constructed new ones.

The fact that formal and informal power, though interdependent, are based upon different types of political constituencies means that each has its own respective set of utilities. Power proves itself when contested, and the relative utility of formal and informal power depends upon the intensity of such a contest. If the issue is routine, it is usually allocated to the official in charge of the appropriate functional "sys-

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ample, December 9, the anniversary of the founding of the 1935 student movement in Peking, became an occasion to give high visibility to the Liu Shao-ch'i/P'eng Chen group. During the Cultural Revolution, Mao's 30-*li*, 65-minute swim in the Yangtze (July 16, 1966), the posting of Mao's first big-character poster (August 5), and the formation of the Red Guards (August 18) all became affairs to remember. During the early 1970's, however, the sole commemoration of the Cultural Revolution's "new-born things" was the anniversary of the writing of Mao's article, "Talks at the Yenan Forum on Literature and Art" (May 23, 1942); on that date, Chiang Ch'ing presented her latest revolutionary theatrical works. The celebration of anniversaries of the Cultural Revolution in 1976 seemed to presage a radical effort to revive it (e.g., on May 16, the 10th anniversary was commemorated by a joint article by the editorial departments of *People's Daily*, *Red Flag*, and *Liberation Army Daily*, and the 10th anniversary of Mao's meeting with Red Guards on August 18 was celebrated in many cities and provinces). The first anniversary of Chou En-lai's death (January 8, 1977) became an occasion for big-character posters calling for the rehabilitation of Teng Hsiao-p'ing, Chou's former heir apparent.

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tem" for resolution.[13] If there are tractable jurisdictional or substantive disagreements on an issue ("nonantagonistic contradictions"), an official may mobilize his bureaucratic constituency on behalf of shared interests. But if the issue defies routine decision-making procedures and provokes intractable opposition, it is likely to be defined as a "contradiction between the enemy and ourselves" [*ti-wo mao-tun*], in which dissent is deemed illegitimate; those who agree form a broad coalition to isolate and impose sanctions on the dissenter(s). In such an instance, only the dissenting actor's *informal* political base is likely to be of any avail. Members of his bureaucratic constituency are relatively superficial acquaintances who share certain bureaucratic interests, but in terms of such interests it is irrational to defend a colleague or a policy whose legitimacy has been placed in question, because any defense of the target is certain to implicate the defender as another potential target. The fact that routine criticism and self-criticism is conducted within the organization's basic leadership and work units tends to inhibit the growth of informal ties of solidarity in these units; an implicated target actor is usually abandoned quite promptly. Only those ties that precede or otherwise transcend rational calculations of interest can justify commitment under risky conditions.

Thus there are two sets of circumstances in Chinese politics which justify the mobilization of two distinct types of political constituency: in routine "bureaucratic politics,"[14] an actor may mobilize his formal bureaucratic constituency to fight for interests shared on the basis of similar organizational perspectives (e.g., budgetary allocations, jurisdictions, policies); under circumstances of crisis, when an actor's own political survival is at stake, he may resort only to the informal alliances that constitute his political base. These informal bases seem to have little direct relevance to policy, for they are not mobilized until a disagreement escalates into a power struggle. At that level, policies and

[13] According to Doak Barnett, there are about ten vertically integrated "general systems" [*hsi-t'ung*] with representatives on the State Council and in the Departments of the Central Committee, including "political and legal affairs" (or "internal affairs"), "propaganda and education" (or "culture and education"), "industry and communications," and "finance and trade." See Barnett, *Cadres, Bureaucracy, and Political Power in Communist China* (New York: Columbia University Press 1967), 8. A Politburo member who controls a functional system seems able to initiate the drafting of an authoritative central document concerning that issue area on his own authority. Cf. Kenneth Lieberthal, *Central Documents and Politburo Politics in China*, Michigan Papers in Chinese Studies, No. 33 (Ann Arbor, Center for Chinese Studies, University of Michigan, 1978).

[14] Cf. Graham T. Allison, *Essence of Decision: Explaining the Cuban Missile Crisis* (Boston: Little, Brown 1971), and Morton H. Halperin, *Bureaucratic Politics and Foreign Policy* (Washington, D. C.: The Brookings Institution 1974).

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ideological positions assume an instrumental character, and may be rather freely adapted to tactical exigencies.

To mobilize an appropriate constituency in a rapidly changing situation requires a felicitous combination of foresight, judgment, and luck. To mobilize one's bureaucratic constituency for an issue that may later be defined as "antagonistic" (as Liu Shao-ch'i and Teng Hsiao-p'ing did during the "Fifty Days" of June-July 1966) is to risk the erosion of much of that constituency as the high stakes of the struggle become visible; to mobilize one's informal base prematurely for an issue defined as "nonantagonistic" is to forfeit one's legitimate formal constituency and lay oneself open to charges of "factionalism," thereby running the risk of exacerbating the contradiction to an antagonistic level. The difference between antagonistic and nonantagonistic contradictions is essentially one of intensity, but intensity is defined by such incalculable factors as the capability of one side to mobilize sufficient forces to prevail versus the determination of the other side to resist. Thus, even to the protagonists themselves, it is never clear—except from hindsight—whether the issue at stake will be antagonistic. The actors involved in an approaching confrontation must therefore compete to impose favorable ideological definitions on the dispute even as they mobilize constituencies appropriate to that persuasive definition—all the while remaining poised to switch strategies if the balance of power shifts. During the early stages of the Cultural Revolution (October 1965 to March 1966), for example, Mao deliberately obscured his public stance vis-à-vis P'eng Chen, apparently in order to give P'eng sufficient leeway to implicate himself in errors of "antagonistic" magnitude; Mao would then be justified in mobilizing his vast formal constituency (on grounds of P'eng's violation of the organizational rules), and P'eng would be abandoned by all but his own much smaller informal base. During this period of ambiguity, Liu Shao-ch'i and Teng Hsiao-p'ing and most other members of the central bureaucratic establishment supported P'eng in his efforts to stifle radical cultural criticism, presumably acting on the basis of a shared bureaucratic interest in maintaining the integrity of established inner-Party disciplinary procedues. But as soon as Mao unveiled his antagonistic opposition to P'eng in spring 1966, Liu and Teng deserted P'eng. However, his ties to the other members of his constituency were based on more durable informal bonds, and they retained their cohesion to the end, necessitating a sweeping purge of the Peking Municipal Party Committee and the Central Departments of Propaganda and Culture. Throughout the summer and fall of 1966, Chou En-lai attempted to define the emerging confrontation between

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Mao's "proletarian revolutionary line" and Liu's "bourgeois reactionary line" as a contradiction among the people—presumably in defense of the bureaucratic interests they shared; many members of Chou's State Council had also participated in implementation of the "bourgeois reactionary line" (the dispatch of work teams) in the spring of 1966 and were vulnerable to criticism on the same charge. But once the contradiction had been defined as antagonistic (in the wake of the February Adverse Current in February-March 1967, when all lesser targets were exempted and criticism was confined to Liu and Teng), Chou reversed his position and joined in the public criticism of Liu Shao-ch'i.

The distinction between types of power and constituency is an analytical rather than a synthetic one, but it is a distinction drawn by the actors themselves in deciding how to wage and construe political conflict; it is not superimposed by outside observers. Purges thus tend to proceed along lines of real or suspected networks of informal alliance, not according to current bureaucratic relationships. If the bureaucratic constituents of a target actor agree to draw a "clear line of demarcation" and repudiate their former colleague, they can usually escape further sanction, for there are no deep commitments between them. But if a person is known to be an "old comrade-in-arms" [*lao chan-yu*] of the actor in question, he is far more likely to be adversely affected by that actor's disgrace.

In practice, the identification of an actor's constituencies is rarely so clear-cut, for an actor (particularly one who has enjoyed long tenure in a particular office) may have taken advantage of his powers of patronage to appoint his cronies to positions under his aegis; the result is extensive overlap between his bureaucratic constituency and his informal political base. The Chinese call this an "independent kingdom" [*tu-li wang-kuo*] (or, in the military realm, a "mountain stronghold" [*shan-t'ou-chu-i*]), wherein the coincidence of bureaucratic interests and informal loyalties is "so tight you cannot stick a pin in." Even without evidence of opposition, formation of an independent kingdom constitutes *prima facie* cause for purge.[15] An independent kingdom not

[15] Parish (fn. 9) presents evidence that formation of an independent kingdom was the most telling charge against Yang Ch'eng-wu when he was purged in the spring of 1968; Mao made the same charge against Lin Piao: "When soil is too compressed it cannot breathe. If you mix in a little sand, then it can breathe. The staff of the Military Affairs Committee was too uniform in its composition, and needed to have some new names added. This is mixing sand in the soil." "Summary of Chairman Mao's Talks with Responsible Comrades at Various Places During His Provincial Tour: From the Middle of August to 12 September 1971," in Stuart Schram, ed., *Chairman Mao Talks to the People, Talks and Letters: 1956–1971* (New York: Pantheon 1974), 295.

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only tends to isolate the unit in question from the masses and from its superior leadership (thereby violating democratic centralism), but also to result in a narrow departmentalism [*pen-wei-chu-i*] that subordinates revolutionary objectives to departmental interests.[16] Yet in the Chinese Communist Party, the stable personnel policies and relatively high degree of isolation between parallel units make the formation of independent kingdoms almost endemic. They offer a certain degree of security by foreclosing the possibility that an opponent will play differing bureaucratic interests off against each other in a *divide et impera* strategy; an actor who commands such a compact political base, however, remains vulnerable to a strategy of isolation from without, followed by siege or storm tactics. This is the way P'eng Chen was laid low.

The way power is normally mobilized in Chinese politics is by convening meetings. "Every two months, every province, municipality, and autonomous region should convene a meeting to make an investigation and summarize the findings. . . . The regions must also hold a meeting every two or three months," Mao instructed in 1958. "The movement changes greatly, and there must be exchanges of information."[17] Chinese officials convene frequent meetings of every variety: there are meetings with as many as seven thousand and as few as seven participants; there are formal and informal meetings; some meetings have institutional labels, such as Party congresses, enlarged Politburo meetings, or Central work conferences; others are known only by the place and time they were held, such as the Peitaiho conferences in the summer of 1955 and June 1956, and the Ch'engtu conference of March 1958. Though they are held for different reasons and have different functions, they all provide a means—really the sole legitimate means—for mobilizing constituencies. After proceeding through a reasonably well-established sequence of selecting delegates, holding preparatory meetings, attaining consensus on an agenda, arranging for the presen-

[16] Red Guard tabloids have indicated that inhibited coordination and friction between parallel units arose as a consequence. For example, when a member of the Ministry of Petroleum was criticized by a provincial Party committee chairman, Yü Ch'iu-li (then Minister of Petroleum) allegedly retorted: "This man belongs to my ministry. Who dares to touch a hair on his head?" "Fundamental Criticism of the Collected Crimes of Yü Ch'iu-li," in *Hsien-feng* [the Reef] (published by the United Committee of Revolutionary Rebels in the First Ministry of Machine Building, Peking, January 1967), 5. Lü Cheng-ts'ao, then Minister of Railroads, allegedly refused to work with Lin Piao on the question of troop transport because Lü was a friend of Lo Jui-ch'ing, whose security bureau was at this time in rivalry with the PLA. "Down with Lü Cheng-ts'ao, the Biggest Friend of the Capitalists in the Railroad Ministry," *Hung-t'ieh-tao* (a Red Guard periodical, February 1967), 4.

[17] Mao, "Talk at the Ch'engtu Meeting" (March 1958), in *Wan-sui* (fn. 1, 1969), 167.

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tation of reports, and so forth, a leader is able to convene a meeting in which he can be fairly certain of mobilizing the support he requires for a desired policy outcome.[18]

An official may choose (within the limits set by his rank and position) from an array of possible forums those most appropriate to mobilize the type of advice and support he desires. The expedient of "enlarged" conferences grants him sufficient latitude to mobilize functional experts and assorted informal supporters outside the designated meeting.[19] Although Mao's complaints have indicated that this procedure is not considered legitimate,[20] the privileged access to a specific range of meetings to which a given leader's rank and position entitle him enable that leader to convene such meetings in order to defend himself—at least during the initial stages of a power struggle when such activity is not yet defined as oppositional. Thus in the preliminary skirmishing between P'eng Chen and Mao Tse-tung in the spring of 1966, P'eng convened meetings of the Five-Man Cultural Revolution Group, the Peking Municipal Party Committee, and the Standing Committee of the Peking Party Committee; Liu Shao-ch'i (in Mao's absence) convoked the Politburo Standing Committee in support of P'eng; Mao convoked the Politburo Standing Committee, the Politburo, and the full Central Committee; Lin Piao convened the Military Affairs Committee and a special military forum on the arts in support of Mao and Chiang

[18] An annotated index of central meetings is provided in Kenneth Lieberthal, *Research Guide to Central Party and Government Meetings in China, 1949–1975* (White Plains, N.Y.: International Arts and Sciences Press 1976).

[19] Similar informal arrangements can be made at lower echelons of the administrative apparatus to accommodate changes in the roster of participants. For example, the "administrative conference" [*pan-kung hui-i*] appeared at all levels at the beginning of the 1960's and became an important leadership forum. By combining the Party leadership with selected professionals from various offices, it permitted decisions to be made in small groups outside the cumbersome Party committee. The Red Guards called this an "underground Party committee" [*ti-hsia tang-wei*] and complained that it regularly enabled "White" professionals to convert Party members to their opinions. See Report on the Seventh Ministry of Machine-Building, in "Down with Liu Hsüan, the Capitalist-Minded Traitor and Agent in a Responsible Party Position," *Fei-ming ti*, May 20, 1967, p. 3.

[20] In May 1953, Mao issued a directive, ostensibly in criticism of Liu Shao-ch'i and Yang Shang-k'un, that "From now on, all documents and telegrams sent out in the name of the Central Committee can be dispatched only after I have gone over them, *otherwise they are invalid*." *Selected Works*, V (Peking: Foreign Languages Press 1977), 92; emphasis in original. In 1966, he again complained about his lack of control of the policy process: "I was not satisfied with the Wuchang Conference; I could do nothing about the high targets. So I went to Peking to hold a conference, but although you met for six days, you wouldn't let me hold mine for even a single day. It's not so bad I am not allowed to complete my work, but I don't like being treated like a dead father." "Talk at the Report Meeting" (October 24, 1966), trans. in Schram (fn. 15), 266-67.

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Ch'ing; and Teng Hsiao-p'ing convened the Central Committee Secretariat in support of Mao.[21]

If and when the dispute becomes antagonistic, the target actor forfeits his power to convene meetings (or, at lower echelons in the hierarchy, his access to the process of transmission of central documents); he is isolated (perhaps even placed under house arrest), and may be subjected to mass "struggle." The only means whereby he may conceivably mobilize his *informal* constituency is through public self-criticism. Inasmuch as this is a highly ritualized form of communication, any appeal for support must be esoteric—but the fact that the critics tend to blame the target actor for any surviving pockets of resistance illustrates the Chinese conviction that he can somehow mobilize support through confession. In point of fact, the target has no further control over his constituency. It is impossible to ascertain the reliability of an informal base in advance because the very existence of such a base is at the penumbral margins of legitimacy; a crisis is thus the moment of truth for the network of support that the target has been cultivating for just such a contingency. Putative members of this network must now choose among three options.

(1) They may forswear old loyalties and repudiate the target actor even more vehemently than his original critics did, in hopes of allaying suspicions based on objectively certifiable background connections. Examples include P'u An-hsiu's public criticism (and subsequent divorce) of her husband, P'eng Te-huai;[22] Liu T'ao's "self-examinations" of December 1966–January 1967, in which she repudiated her parents, Wang Kuang-mei and Liu Shao-ch'i;[23] Lin Piao's appeal in July 1971 for mass criticism of his erstwhile ally, Ch'en Po-ta;[24] and Lin Li-heng's betrayal, to Chou En-lai, of her father's emergency escape plans.[25] Such treachery may disembarrass a crony of his immediate difficulties or even bring fleeting renown, usually at the price of subsequent political oblivion.

(2) They may join the target actor in a clandestine organization

[21] Lieberthal (fn. 18), 11-12. In all, P'eng Chen's downfall can be delineated as a sequence of ten meetings.

[22] "Investigate P'u An-hsiu" (a Red Guard pamphlet), in *Tsu-kuo*, No. 89, August 1, 1971, p. 2.

[23] Liu T'ao, "Rebel Against Liu Shao-ch'i, Follow Chairman Mao to Make Revolution for Life—My Preliminary Self-Examination," *Chingkangshan*, December 31, 1966; trans. in *Current Background*, No. 821, March 16, 1967, pp. 1-25. Liu T'ao's revised self-criticism is translated in Fernand Gigon, *Vie et mort de la révolution culturelle* (Paris: Flammarion Éditeur 1969), 201-14.

[24] *People's Daily*, July 21, 1971. Ch'en Po-ta in turn revealed incriminating information about Lin Piao, linking him to the "May 16 Group."

[25] Cf. Jaap van Ginneken, *The Rise and Fall of Lin Piao* (Harmondsworth, England: Pelican 1976). Lin Li-heng is perhaps better known by her nickname, Tou-tou.

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designed to "reverse the verdicts" on his case in some way, and thus attempt to legitimate the entire group. This involves the participants in what is referred to as "factionalism" [*p'ai-hsing*], which is specifically denounced as illegitimate and subject to severe sanctions.[26] The illegitimate and hence hazardous nature of such undertakings precludes the use of open communication channels and forces its participants underground, placing them at a considerable disadvantage. Yet, according to Chinese Communist sources, dissident leaders have repeatedly resorted to factional solutions when forced to the wall. Examples include Ch'en Tu-hsiu's leadership of a Trotskyite "Leftist opposition" following his ouster from the Party leadership in 1927;[27] Chang Kuo-t'ao's organization of a rival Central Committee during the Long March; P'eng Te-huai's organization of a "Military Recreation Club" prior to launching his challenge to Mao at Lushan; P'eng Chen's collusion with members of the Central Departments of Culture and Propaganda and his own Municipal Party Committee to sidetrack Mao's attempts to mobilize a campaign of criticism against his vice-mayor; and of course Lin Piao's putative conspiracy with the "four big generals" and other high-ranking military personnel (mostly from the headquarters units in Peking) to assassinate Mao Tse-tung and launch a military coup d'état.[28] Subsequent research may reveal the fall of the Gang of Four to have been the successful culmination of a factional conspiracy among Teng Hsiao-p'ing's supporters to reverse the verdict on their patron.

(3) They may attempt to compromise—refusing to join with the target actor in an illegitimate conspiracy, but still seeking a safer and more discreet (and efficacious) means of supporting their patron. Examples of this option include Chou En-lai's acquiescence in the purge of a considerable proportion of his State Council officials in 1967–1968, only to rehabilitate them to equivalent positions several years later; the refusal of many provincial and regional Party leaders to join in criticizing Liu Shao-ch'i and Teng Hsiao-p'ing during the Cultural Revolution; and the refusal of most military and provincial officials to join in the criticism of Teng Hsiao-p'ing in the spring of 1976.[29] Such com-

[26] Cf. Andrew Nathan, "A Factionalism Model for CCP Politics," *China Quarterly*, No. 53 (January–March 1973), 34-67. Nathan's model seems to fit the Cultural Revolution very well, but in my view he tends to overgeneralize it. Cf. Tang Tsou's critique (fn. 8), and Nathan's reply in the same issue.

[27] Thomas C. Kuo, *Ch'en Tu-hsiu and the Chinese Communist Movement* (South Orange, N.J.: Seton Hall University Press 1975), 206-16.

[28] Cf. Michael Y. M. Kau, *The Lin Piao Affair: Power Politics and Military Coup* (White Plains, N.Y.: International Arts and Sciences Press 1975).

[29] The provincial leadership manifested their lack of enthusiasm by failing to convene plenary sessions of their Party committees to support the campaign, failing to send work teams to the local levels, and failing to carry campaign polemics in the provincial

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promise maneuvers are often quite effective, and help to account for the tenacious resilience of well-based Chinese politicians. Yet they are far from foolproof since they are likely to be visible to the target's die-hard oponents, whose wrath is apt to come down upon the would-be compromiser. During the Cultural Revolution, the "revolutionary masses" obscured the distinction between active and passive support in order to criticize and purge nearly all members of Liu's and Teng's political base as if they were factional co-conspirators; even Chou En-lai's more subtle efforts to shield members of his State Council bureaucracy from criticism did not escape the notice of the radicals, who in the summer of 1967 vowed to "burn Chou En-lai alive" for just this reason. During the spring of 1976 the radicals sought (unsuccessfully) to expand their critical scope to include "people *like* Teng Hsiao-p'ing" who might otherwise protect or later rehabilitate Teng—such as the commanders of the Peking, Canton, and Sinkiang Military Regions.[30]

The point of the foregoing discussion has been to demonstrate the importance of background factors in determining a central official's chances of political survival. *Ceteris paribus*, an official with a broad, deep, and well-cultivated political base has better prospects in a crisis than one who has none: not only can this informal constituency be mobilized to resist the purge of the official, it can serve as a forbidding deterrent to any emergent threat. Although Liu and Teng refrained (or were prevented) from actively mobilizing support, the passive resistance of their political base succeeded in imposing a very high cost on the Cultural Revolution; the radicals would have had to reckon with a comparable cost had they persisted in their efforts to expand the *p'i-Teng* campaign in the spring and summer of 1976. The formidable cost that would surely have been incurred in any attempt to mobilize mass criticism against an alive and resisting Lin Piao is one of the factors that has led many observers, both Western and Chinese, to discount the official version of that incident.[31]

The Bases of the "Gang of Four"

The backgrounds of the "Gang of Four" were significantly different from those of other central political actors in China; that is one of the

media they controlled. Only four provincial units (Heilungkiang, Sinkiang, Shanghai, and Peking) held inter-unit criticism rallies.

[30] According to the Taiwan *CNA*, 15 of the 29 provincial First Party Secretaries were attacked in local wall posters in connection with Teng.

[31] Cf. Tai Sung An, *The Lin Piao Affair* (Lexington, Mass.: Lexington Books 1974). My refugee informants also expressed considerable skepticism about the *chiu i-san shih-chien* [September 13th Incident].

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reasons it proved difficult to form an accurate estimate of their strength. From the perspective of a bureaucratic career, their backgrounds were both *narrow* and *shallow*. By "narrow," I mean that their career experiences had been highly specialized, giving them a potential political base in only one functional system, that of culture and propaganda. In contrast, a central official such as Chou En-lai (whose career was admittedly exceptionally broad), had experience that provided him with a political base in the army, the Party, and the government, as well as the bourgeois democratic parties and the liberal intellectuals who moved in that ambience. Whereas the narrow/broad dimension refers to the functional scope of an actor's career experience, the shallow/deep dimension refers to its temporal duration, which may be indexed on the basis of his age and the number of years he has spent in the Party. Most central cadres have "deep" backgrounds that provide them with potential supporters scattered through every echelon of the hierarchy, but particularly at its upper levels; the background experiences of the Four was mainly confined to the lower ranks of the bureaucratic hierarchy. The reason for the relative shallowness of the base of the Four is that, bureaucratically speaking, they were all what Teng Hsiao-p'ing called "helicopters": before 1966, they had been relatively low-ranking officials; not until the Cultural Revolution did they become nationally prominent, and not until the Ninth Congress was their position at the summit of Chinese politics officially confirmed. At that time, three of the four acceded to full Politburo chairs without even having served previously on the Central Comittee. Chang Ch'un-ch'iao, the member of the Gang with the most extensive conventional bureaucratic experience, had by the start of the Cultural Revolution risen only as far as full membership on the Shanghai Municipal Party Committee and the directorship of the committee's propaganda department.[32] Both

[32] Chang Ch'un-ch'iao joined the Party during the Long March and in his writings supported the Red Army during the Second World War. After the Liberation, he became Director of the East China General Branch of the New China News Agency in March 1950, Director of the Shanghai *Liberation Daily* in May 1954, a member of the Shanghai Party Municipal Committee in June 1958, and of its Standing Committee in April 1959; he became Director of the Propaganda Department of the Shanghai Committee in April 1963, and a member of the Secretariat of the Committee in March 1965.

Chiang Ch'ing claims to have joined the Party in Tsingtao in 1932, though there is reason to doubt that she actually became affiliated before her marriage to Mao in Yenan in 1940. In 1948 she became head of the Film Office of the Propaganda Department of the Central Committee (known after April 1949 as the Central Film Administrative Bureau). But when this body was dissolved at the Second National People's Congress in September 1954, Chiang Ch'ing retired from the cultural scene until 1962. In 1963 she began to appear as First Lady (she accompanied Mao to entertain Madame Sukarno), and in September 1964 she was elected a deputy (from Shantung) to the Third NPC.

Yao Wen-yüan, born in 1925 in Shao-hsing, Chekiang, spent his entire career as a

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the narrowness and shallowness of the political base of the Four are evident in the parvenu character of the personnel appointments they made and those they allegedly planned.[33]

Notwithstanding the narrowness and shallowness of their bureaucratic backgrounds, the Gang of Four did command a strong political base even before 1966; the Cultural Revolution offered them the opportunity not only to strengthen their existing base but to acquire a new one. Their initial base consisted of one man, Mao Tse-tung; they later sought to include the "revolutionary masses" of students, workers, and peasants who rose against the bureaucratic establishment in response to the Chairman's call to "bombard the headquarters." I shall first examine the position of the Gang of Four before 1966, and then proceed to show how they attempted to enhance their power during the Cultural Revolution, thereby profoundly affecting the Chinese political system.

In their primary reliance on the Chairman as a base of support, the Four played a role comparable to the "favorite" in European court politics: the royal advisor whose place depends solely on the favor of the crown.[34] The purely personal basis of the favorite's power inclines him to be more royal than the king himself; and the *ad hoc*, provisional nature of his appointment motivates him to attempt more innovative, high-risk ventures on behalf of his patron than a career bureaucrat would. The Chinese imperial court had its retinue of favorites, consisting of imperial wives, concubines and eunuchs; that contemporary Chinese tend to view the Four in their image is suggested by the recurrent (but apparently baseless) rumors to the effect that Yao Wen-yüan or Wang Hung-wen was Mao's son-in-law, that Chou En-lai was poisoned by Chiang Ch'ing, and so forth.[35] Though the role of favorite

writer on ideological/cultural themes, never holding any important administrative positions until joining the Central Cultural Revolution Group in October 1966.

Wang Hung-wen, born in 1937 to a poor peasant family in Kirin, joined the PLA as a youth and served after discharge as a junior cadre in the Security Department of the Shanghai No. 17 Cotton Textile Factory, where he became involved in mobilizing worker support for Chang Ch'un-ch'iao's power seizure in Shanghai in January 1967. Thus, until 1966, the base of the Four was limited to Shanghai; according to the most recent findings, their support was never very strong even there. Cf. Andrew Walder, *Chang Ch'un-ch'iao and Shanghai's January Revolution*, Michigan Papers in Chinese Studies, No. 32 (Ann Arbor, Center for Chinese Studies, University of Michigan 1978).

[33] Cf. *Ming pao*, December 27, 1976, p. 1, for a complete list of the "cabinet" allegedly submitted by the Four.

[34] Rasputin was of course the most notorious of imperial Russian favorites, but his peasant origins and charismatic powers made him atypical. More characteristic were Alexander Mikhailovich Bezobrazov and Grand Duke Alexander Mikhailovich, both of whom advised Tsar Nicholas in the Siberian exploits that were to culminate in the Russo-Japanese War. For a study of the role of the favorite in the formulation of Russian foreign policy, cf. Helen Dittmer, "The Russian Foreign Ministry Under Nicholas II, 1894–1914," Ph.D. diss. (Department of History, University of Chicago 1977), 211-50.

[35] The classic pattern for such figures is to eliminate rival claimants by assassination

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has won greatest formal recognition in the form of various court titles and orders in monarchical systems, it is by no means unique to monarchies (*vide* Sanjay Gandhi, or for that matter the role played by White House advisors Haldeman and Ehrlichman in the Nixon Administration). A favorite may become powerful in any organization with a strong monocratic executive who chooses to isolate himself from his official advisors and to rely on personal advisors whose loyalty to him is implicit. The executive may so choose for any of a number of reasons: a falling out with his official staff, susceptibility to flattery and aversion to direct contradiction, prolonged illness, or a reclusive disposition are among the more typical. It is in the interest of the favorite to promote his patron's isolation in order to make his own role as go-between indispensable.

In Mao's case, an increasing reliance on favorites accompanied his turn from the frustrating problems of economic reconstruction to a preoccupation with various basic ideological issues—for instance, the critique of East European-Soviet style revisionism and the attempt to launch a revolution in socialist culture that would forestall a similar development in China. Leaving the rest of his Politburo colleagues on the "first front" to cope with the problems of recovery from the depression and the budgetary deficit left by the Great Leap Forward, Mao selected a handful of cronies to join him on the "second front": his former secretary Ch'en Po-ta and Chiang Ch'ing's old patron K'ang Sheng apparently specialized in writing anti-Soviet polemics, while Chiang Ch'ing and the group of young literati she sub-recruited formed his liaison with the cultural world. In pursuit of his ideological *qua* polemical interests, Mao required a combination of research assistance, secretarial help, and intellectual cross-fertilization; his favorites ably filled these requirements while at the same time feeding Mao's hunger for deference.[36]

Chiang Ch'ing was Mao's original favorite; that she did not parlay this role into a personal power base until the mid-1960's seems to have been due to a combination of interference from resentful official advisors, problems with her health, and the fact that Mao took only sporadic interest in the cultural causes she championed. Reports from Yenan

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in order to put their own children in the line of succession. References to Chiang Ch'ing as the "Empress Dowager" had already become popular in Canton at the time of Mao's death. After her fall, the analogy formed the basis for her public indictment: like Tzu Hsi, she was accused of squandering state resources for her own pleasures. Cf. David Bonavia in *Far Eastern Economic Review*, Vol. 94, No. 45 (November 5, 1976), 17.

[36] Cf. Michel C. Oksenberg, "Policy Making Under Mao, 1949–1968: An Overview," in John Lindbeck, ed., *China: Management of a Revolutionary Society* (Seattle: University of Washington Press 1971), 94.

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indicate that she functioned as Mao's secretary as early as 1939, taking charge of his personal correspondence, writing down his speeches, copying materials, and going on miscellaneous assignments for him to distant regions.[37] She first began to play an active role in cultural controversies in the early 1950's, when she lobbied for suppression of the film "Inside Story of the Ch'ing Court" and led an undercover investigation team to Shantung to gather material on the Wu Hsün case before launching a successful assault on the film "The Life of Wu Hsün."[38] She operated incognito in her forays into the countryside, allegedly at the insistence of suspicious colleagues, who thereby blocked her from building a personal following.[39] Her involvement in these early controversies failed to endear her to the doyens of the cultural world; in fact, by the end of 1951 she had lost her directorship of the Cinema Department and even her nominal post in the Sino-Soviet Friendship Association. In the winter of 1952, she left for Moscow for medical treatment, relinquishing her positions as Chief of the Secretariat of the General Office of the Central Committee and as Mao's private secretary. When Mao's attention turned from the cultural world to the problems of socioeconomic construction in the later 1950's, she virtually dropped from view, plagued by chronic physical ailments.

As Mao became increasingly isolated from his official advisors following the failure of the Great Leap Forward, Chiang reappeared on the cultural front, determined to defend her husband's faltering reputation and to carry the attack to his intellectual critics. Her reappearance she ascribed (no doubt somewhat elliptically) to her own recuperation program:

> I was ill for several years. In order to recover my health, I took part on a doctor's advice in some cultural activities to train my hearing and eyesight. In this way I was able in a relatively systematic manner to get acquainted with some of the problems in literature and art. Alas! I found that there were big problems![40]

Operating in a style characteristic of the traditional favorite, Chiang Ch'ing banked on her patron's prestige and on the intrinsic merits of her proposals. She flouted bureaucratic procedure, thereby antagonizing the officials formally assigned to the cultural realm and deliberately

[37] Peter Vladimirov, *The Vladimirov Diaries* (Garden City, N.Y.: Doubleday 1975), 12, 83, 101, 143-44, 155-57; see also Roxane Witke, *Comrade Chiang Ch'ing* (Boston: Little, Brown 1977), 224.

[38] Cf. Chung Hua-min and Arthur C. Miller, *Madame Mao: A Profile of Chiang Ch'ing* (Hong Kong: Union Research Institute 1968).

[39] Witke (fn. 37), 224.

[40] Chiang Ch'ing, "New Arts of Socialism Occupy All Theaters," *Hung-se wen-i*, May 20, 1967.

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jeopardizing the patron-client ties they had cultivated with the artistic and intellectual community. She also tried to monopolize access to Mao, albeit without complete success. Although her name does not appear before 1966 among Mao's interlocutors named in the three *Wan-sui* volumes,[41] she laid plausible claim to having had close rapport with the Chairman:

> For many years I have been working as Chairman Mao's secretary, mainly to study some international problems. In the field of culture and education I act as a roving sentinel. My job is to go over some periodicals and newspapers and to present some things, both positive and negative, to the Chairman for reference—[things] that are in my opinion worthy of note. This is the way I have done my job for many years. Beginning last year my job was expanded, [giving] me the extra duties of Secretary of the [Politburo] Standing Committee.[42]

Thus in 1962, she carried out an investigation into the background and intent of Wu Han's play, "Hai Jui's Dismissal," and found it to have "serious political problems," initiating a successful behind-the-scenes campaign to have it barred from the stage.[43] By the winter of 1962, she had completed an extensive review of more than a thousand Peking operas then being staged, roundly criticizing them for the feudal influences she found there. In 1963–1964 she started a reform movement of Peking opera and ballet. When she gave speeches at various cultural forums, she made no serious attempts to clear her efforts through the central cultural authorities; she inclined to suspect their motives even when they eventually acceded to her demands. Indeed, she made a direct appeal to artists and writers to join her in creating a more revolutionary art form.[44] In this way she had by 1965 succeeded in producing the Peking operas "Spark Amid the Reeds" (later retitled "Shachia-pang" at Mao's behest), and "The Red Lantern," and in revolutionizing the contemporary ballets "The Red Detachment of Women" and "The

[41] *Wan-sui* (fn. 1, 1967 and 1969), I, II, III, passim. It is, however, conceivable that she participated in private discussions, or participated *anonymously* in these recorded sessions: 139 of the 222 total responses to Mao (63%) in the January 1960–December 1965 period were made by "XX" [*mo-mo*], a much higher proportion than between January 1966 and December 1968 (7%). During the latter period, Chiang Ch'ing made 14% of the identified Chinese responses to Mao.

[42] Chiang Ch'ing, "Do New Services for the People," *Tung-fang-hung*, June 3, 1967. She illustrated her conception of her gatekeeping responsibilities in the following account: "One day a comrade gave the Chairman a copy of Wu Han's *Biography of Chu Yuan-chang* for him to read. I said, 'Don't, the Chairman is very tired. The author only wants a fee for the manuscript or a name for himself. Let him publish it. We'll review and criticize it after publication. I want to criticize the same author's "Hai Jui's Dismissal," too.'" Chiang Ch'ing (fn. 40).

[43] *Hsin Pei-ta*, May 30, 1967.

[44] Chung (fn. 38).

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White-Haired Girl."[45] Chiang Ch'ing's ambitious reforms received public recognition at the PLA's Third Literary and Art Festival in April 1964, and at the Festival of Peking Opera on Contemporary Themes three months later.

Chiang Ch'ing, however, still felt that her efforts at full-scale radicalization of the arts were being subtly undermined by the Peking cultural establishment; so, early in 1965, she moved to Shanghai to work in the congenial political atmosphere created by Mao's supporter K'o Ch'ing-shih, then Shanghai Municipal Party Secretary. There she began her collaboration with Yao Wen-yüan and Chang Ch'un-ch'iao; the three secretly drafted the article that was to initiate P'eng Chen's undoing. "Comrade Chang Ch'un-ch'iao and comrade Yao Wen-yüan took a great risk and in addition, undertook to keep the matter secret," she later recalled. "The secret was kept for seven to eight months during which the article was revised countless times."[46] The article, "On the New Historical Play, 'Hai Jui's Dismissal,' " was published in Shanghai on November 10; three weeks later, Peking was finally goaded into reprinting it and lending its reluctant support to a campaign of cultural criticism. The following spring, Chiang Ch'ing (at Mao's direction) drafted the "May 16 Circular," which lambasted P'eng Chen's erstwhile leadership of the movement and called for a more iconoclastic approach. The two documents were the opening volleys in what would shortly be known as the Great Proletarian Cultural Revolution; in it, Chiang Ch'ing and her protégés found a dramatic new opportunity to expand their political base.

This opportunity inhered in a unique set of circumstances. Mao's "great strategic plan" to revitalize revolutionary values in China called for extensive mass mobilization. In itself, this was not novel, for the masses have always played an integral role in Chinese politics; but heretofore the masses had always been mobilized through a process of *organizational mediation*. The Chinese Communist Party would first convene a series of "transmission meetings" [*ch'uan-ta hui-i*] to apprise elites at various levels of the objectives of the coming campaign, and then the masses would be mobilized through a series of "rallies" (for instance, oath-taking rallies, regional broadcast rallies, pledge rallies, mobilization rallies, meetings to exchange experiences).[47] Although mobilization was conducted by such non-Party agencies as the work and

[45] By 1968, eight revolutionary *yang-pan hsi* (model theatrical productions) had been staged, including four Chinese operas, two ballets, the Yellow River Piano Concerto (for which Chiang Ch'ing gave special dispensation to use a Western piano), and "The Rent Collection Courtyard," a series of sculptural tableaux done in socialist realism.

[46] Chiang (fn. 40).

[47] Cf. Lieberthal (fn. 13).

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residential units, the mass media, the mass organizations, teams of activists, and *ad hoc* meetings of various formats, the Communist Party retained firm control of the mobilizational process at every stage and level. However, Mao paralyzed this system of organizational mediation at the very outset of the Cultural Revolution—first by prohibiting Party cadres from using sanctions to maintain discipline over the masses, and second by turning the "spearhead" of mass criticism against many of the Party leaders who were officially qualified to preside over strategic meeting forums. He thereby reduced the leaders' incentive to give organizational guidance to the movement. This organizational paralysis, born partly perhaps of the *apparatchiks'* support for their beleaguered chiefs, but mainly of their panic and confusion, was decisive in setting the subsequent course of the movement: it created a power vacuum that the radicals could fill.

Lacking leverage within the existing system of meeting forums,[48] the radicals initiated a form of organizationally *non*-mediated mobilization of the masses, purveying a different version of Marxist-Leninist ideology through the mass media that they now controlled. They supplemented it by secret informal contacts with selected activists (such as Nieh Yuan-tzu, K'uai Ta-fu, and T'an Hou-lan)[49] and by frequent personal appearances before *ad hoc* rallies.[50] Thus the Party apparatus was temporarily replaced by a congeries of spontaneously assembled voluntary

[48] For example, Ch'en Po-ta's vigorous protest at the Party meeting in early June at which the "Eight Articles of the Central Committee" were approved (most of them designed to keep student activities under close supervision) was overruled by Liu Shao-ch'i, who chaired the meeting. And when the case of the rebel K'uai Ta-fu's resistance to the work teams was brought up in a high-level Party meeting in early July, K'ang Sheng came out in defense of K'uai; he argued that "forbidding K'uai Ta-fu to bring his complaint to the Central Committee at least is not in accord with state law and is in contravention of Party regulations," but he was overruled. Cf. "Down with Liu Shao-ch'i—Life of Counterrevolutionary Revisionist Liu Shao-ch'i," Red Guard pamphlet, trans. in *Current Background*, No. 834 (August 17, 1967), 27.

[49] For example, when Kao Hsiang, who later became leader of the Canton Third Headquarters, visited Peking on June 24, 1966, he wrote a letter back to his friends in Canton saying that the chief target was the power-holders taking the capitalist road in the Party. Hong Yung Lee, "The Political Mobilization of the Red Guards and Revolutionary Rebels in the Cultural Revolution," Ph.D. diss. (Department of Political Science, University of Chicago 1973), 110-20.

[50] Mao gave authoritative sanction to this practice by making a number of public appearances at the outset of the movement, before reverting to his customary seclusion. He also initiated public criticism of the central leadership in his first big-character poster. The fact that this poster is dated August 5 suggests that he decided to take this step, the significance of which he cannot fail to have realized, after things had not gone his way during the first stage of the Eleventh Plenum of the Eighth Central Committee (August 1-12, 1966). The first of the Red Guard demonstrations, which were seen as a way of putting direct pressure on the Central Committee, occurred on August 10, while the Plenum was still sitting; Mao attended and urged those present to carry the Cultural Revolution through to the end. *Peking Review*, No. 33 (1967), 9; see also Livio Maitan, *Party, Army, and Masses in China* (London: NLB 1976), 99-101.

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associations activated primarily by ideological commitment and hunger for celebrity, rather than by long-term career considerations such as relative rank and status. The youthful members of these radical associations were not integrated into the bureaucratic reward structure and lacked tolerance for the patronage networks and hierarchically distributed perquisites they discovered there; their criticisms of deviant officials tended to expand into a systemic critique of bureaucracy as a whole. Occasionally they went as far as to discuss conceivable alternatives,[51] but they usually left the question of eventual replacement quite vague. In short, anarchism was implicit in both the ideology and in the organizational dynamics of such a movement. The Four ultimately backed away from its anarchist implications, but as the most salient beneficiaries of the Cultural Revolution they were blamed for the movement's every excess by die-hard opponents of the whole notion of mass criticism of authority. By making Mao's Thought the measure of all things, the Four managed not only to threaten those whose thoughts were demonstrably deviant from this standard, but also to derogate the thinking of all others in a leadership that had once called itself "collective." The Four thus attracted a good deal of the resentment from which Mao was shielded by his enormous prestige; its breadth and intensity became fully manifest only after Mao died and the Four fell.

The Base Erodes

A favorite is sooner or later inclined to seek a secondary base in addition to his personal one, for otherwise he will perish when his patron does. In turn, the patron, originally attracted by the prospect of a personal servitor without competing organizational vested interests, tends to view a favorite's attempt to build his own power base as a relapse or a betrayal. During the mobilization stage of the Cultural Revolution such a conflict was not apparent; indeed, Mao's desire to promote a revolution in political culture seemed to correspond perfectly with the radicals' interest in mobilizing a mass constituency that might compensate for their lack of a more conventional (bureaucratic) base. The ideology "Mao Tse-tung's Thought" seemed to reconcile the antinomy between the autocratic nature of the primary base of the Four and the populist nature of their secondary base by equating Mao's

[51] Still the most articulate and systematic of these discussions is the manifesto by Sheng-wu-lien (a Hunanese rebel organization), reproduced and annotated in Klaus Mehnert, *Peking and the New Left: At Home and Abroad* (Berkeley: University of California, Center for Chinese Studies 1969). See also Ting Wang, ed., *Li I-che ta-tzu-pao* [The Big-Character Poster of Li I-che] (Hong Kong: Ming Pao Yueh-k'an 1976).

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Thought with the aspirations of the broad masses. But as the anarchist and factional tendencies implicit in the movement's rhetoric gathered momentum, members of the Central Cultural Revolution Group (CCRG) felt an increasing tension between their fealty to the Chairman and their commitment to the ideals and interests that inspired their mass following. This tension first became apparent in the summer of 1967, when Red Guards attempted to extend the Cultural Revolution to the People's Liberation Army and to "drag out the small handful" of conservative military officers; this provoked a military retaliation (notably at Wuhan) that threatened the nation with civil war. Pointless though it is to search for the specific source of a decision that flowed so directly from the immanent logic of the radical rhetoric, it seems clear that all members of the Maoist "revolutionary headquarters" were implicated in the value-added process that culminated in armed Red Guard raids on military units.[52] But Chiang Ch'ing and Yao Wen-yüan publicly repudiated the conspiracy, purged the junior members of their own CCRG (Wang Li, Kuan Feng, Mu Hsin, Chao Yi-ya, Lin Chieh, and eventually Ch'i Pen-yü), and reaffirmed their loyalty to Mao Tse-tung. In September 1968, when feuding Red Guards were subdued by worker-and-soldier "Mao Tse-tung's Thought" propaganda teams, the CCRG's leaders (albeit with obvious misgivings) publicly endorsed the demobilization and rustication of their mass constituency.[53] They did not break ranks when Ch'en Po-ta, having succumbed to the allure of a secondary power base to enter a dalliance with the ill-starred Lin Piao, was subjected to mass criticism. All told, whenever the Four were pressed to choose between their primary and their secondary bases, they opted for the former and forsook the latter.

By the summer of 1968, Mao seems to have forsworn his experiment with organizationally non-mediated mass mobilization, essentially because he could find no way to turn the energies unleashed thereby to constructive account. The new revolutionary associations were indeed more effective organs of mass representation (and of ideologically

[52] Cf. Barry Burton, "The Cultural Revolution's Ultra-Left Conspiracy: The 'May 16 Group,'" *Asian Survey*, XI (November 1971), 1029-54. For a definition of "value-added," see Neil Smelser, *Theory of Collective Behavior* (New York: Free Press 1963).

[53] Yao Wen-yüan's article, "The Working Class Must Exercise Leadership in Everything," *Red Flag*, No. 2 (August 1968), heralded and legitimated the dispatch of these propaganda teams to demobilize the radical factions. When completion of the establishment of Revolutionary Committees at the provincial level was celebrated on September 7, 1968, Chiang Ch'ing spoke after Chou En-lai, noting caustically that she had been informed only at the last moment that the meeting would be held, and making a final plea for leniency to the Red Guards. No further speeches by Chiang Ch'ing have been published, though her model theatrical productions continued to receive favorable notice.

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mediated interest articulation), but less effective at maintaining public order and routine administrative functions. For policy implementation, Mao sought recourse to his (now presumptively purified) organizational apparatus, bargaining away specific features of his radical program (such as the personality cult) in order to appeal to a shifting coalition of bureaucratic interests. Under these circumstances, the following factors appear to have been salient in determining the political fortunes of the Four:

(1) The Four had managed to convert their political capital among the "revolutionary masses" into high formal positions: three of them had won Politburo seats at the Ninth Congress, and Wang Hung-wen was catapulted beyond them from the Central Committee to the CCP's vice-chairmanship at the Tenth Congress. These positions provided access to collegial alliances and to bureaucratic constituencies. The Four used their new powers to achieve some rather impressive policy gains. Despite the strong recovery made by the bureaucracy after Lin Piao's demise, they succeeded in imparting a leftward cant to policy beginning with the Tenth Party Congress; to wit, they consecrated the popular rights and freedoms won during the Cultural Revolution in both Party and state constitutions,[54] withstood pressure for the reintroduction of wage raises, bonuses, and other material incentives, and significantly increased mass representation on Party and government committees at all levels.

Nonetheless, the Four were not able to consolidate their own formal positions either by building strong collegial alliances or by cultivating bureaucratic support networks. The formation of bureaucratic coalitions was inhibited on the one hand by their colleagues, an increasing number of whom were "liberated" cadres who had been criticized and purged during the Cultural Revolution and tended to harbor deep misgivings about any prospect of a recurrence. "More than 75 percent of the old cadres inevitably turn from members of the democratic faction into members of the capitalist-roaders' faction," estimated Chiang Ch'ing.[55] On the other hand, the Four themselves continued to assume a public

[54] The "four great weapons" [*ssu ta wu-ch'i*] that Wang Hung-wen proposed in his report on the revision of the Party Constitution at the Tenth Congress in 1973—"big blooming and contending, big-character posters, and big debate" [*ta-ming, ta-fang, ta-tzu-pao, ta pien-hua*]—were also included in the Constitution of the Fourth National People's Congress in 1975. However, in the nationwide study of the NPC documents, the "four great" were ignored: *People's Daily* made reference to them in only one of its hundreds of articles (January 24, 1975, p. 2). In the provinces there was a general silence, except in Shanghai and the Northeast.

[55] *Kuang-ming jih-pao*, December 14, 1976, and January 22, 1977; as cited in Hong Yung Lee, "The Politics of Cadre Rehabilitation since the Cultural Revolution" (unpub. 1977), 41.

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posture of principled opposition to the informal rules of exchange on which bureaucratic politics was based. They vigorously condemned Lin Piao for trafficking in patronage and favors,[56] for example, and turned the "bourgeois rights" campaign against the "back door" allocation of special privileges (of which cadres were predominantly guilty). Whereas at best the seasoned bureaucrats looked upon the radicals as future successors who should quietly serve their apprenticeship, the radicals did not hesitate to chide their senior colleagues publicly for revisionist backsliding, without offering viable alternatives.[57] The ill will they thereby engendered helps to account for the setbacks to which their personnel strategy was subjected: although they were able to appoint their followers to Party and government (i.e., Revolutionary Committee) positions at various levels, the tendency of the internal leadership was to confine the radicals to showcase positions on the plena while reserving most executive positions and key committee assignments for veteran officials.[58] Within the leadership, the Four themselves seem to have been increasingly isolated during Mao's final years: important conferences were convened to which they were either not invited or in which they were consigned to passive roles.[59] Thus the radicals re-

[56] The Mass Criticism Group of Peking University and Tsinghua University, "Lin Piao and Doctrines of Confucius and Mencius," *Red Flag*, No. 2 (February 1974), 8-16; Yao Wen-yüan, "Dictatorship of the Proletariat and the Renegade Lin Piao," *Peking Review*, June 27, 1975, p. 8.

[57] See, for example, Wang Hung-wen's speech to a meeting of the Party Center on January 14, 1974, at the time of the launching of the campaign to Criticize Lin Piao and Confucius. "The real problem is to be found in our own ranks, [among] cadres who, after seven or eight years, still misunderstand the Cultural Revolution," he warned. "There are places where the Criticize Lin Piao and Confucius movement has not gotten off the ground. . . . It is necessary to train millions of successors of the revolution, but in the regions, particularly in the army, there is great resistance to this. I propose to seek out young men aged about 30 to become the commanders of the Great Military Regions." *Chung-kung yen-chiu*, No. 96 (December 1974), 93-100.

[58] Thus, although the percentage of mass representatives on the Central Committee increased from 26% at the Ninth CC to 34% at the Tenth, most of these representatives no longer appeared after August 1973, and none were able to gain positions of real influence. Part of the reason was the lack of a provincial base: none of the mass representatives at the Tenth Party Congress were First or Second Party Secretaries of the provincial Party committees, and 28 of the total of 48 did not even have positions on the Standing Committees of their provincial Party committees. Similarly, although in preparation for the Fourth NPC in 1975 the radicals managed to place no less than 90 leftists on the Presidium (whose chief function is to elect the NPC Standing Committee), only 31 of these were actually elected to the Standing Committee, and only one of the 12 vice-premiers on the State Council (viz., Chang Ch'un-ch'iao) was a radical, while three others could be considered radical associates.

[59] For example, the Four were not given prominent roles at either the Fourth NPC in January 1975 or at the first Tachai conference in September 1976. They evidently responded by attending (or sending their protégés to attend) meetings to which they were not invited, then seizing the floor to give speeches denouncing the capitalist-roaders in the Party.

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mained *in* but not *of* the bureaucracy, trenchant critics of its *modus operandi* without operational responsibility.[60]

(2) The Four had succeeded in mobilizing a vast and formidable popular base, with which they temporarily eliminated a great number of bureaucratic and some military officials. But they had also acceded to the forced demobilization and rustication of the bulk of their followers, and whether they still retained their allegiance under those circumstances was at best problematic. In order to consolidate their base, they either had to adopt conventional techniques of organizational mediation to "cultivate" their followers, or attempt to resume the mass movement through which the base had been assembled in the first place.

The former alternative came to naught primarily because the Four were so completely outclassed in the skills and resources of organization building. The early 1970's witnessed repeated bids by the Four to claim a particular network of meeting forums as their link to the masses, only to find that network co-opted or blocked by bureaucratic interests.[61] The "Paris Communes" proposed early in the Cultural Revolution were eliminated from consideration by February 1967 because they excluded bureaucratic and military interests; but once the latter had been given representation on the Revolutionary Committees, they proceeded to dominate them and to purge any Red Guards who would not toe their line; ultimately, the Revolutionary Committees themselves were eviscerated and subordinated to the Party committees. The Poor-and-Lower-Middle Peasants' Associations, which had introduced the Cultural Revolution to the countryside in 1969–1970, were subordinated to the Tachai-type counties that were promoted nationwide beginning in 1971. The mass organizations *were* revived in 1973 and contained a considerable amount of "new blood," including many former leaders of rebel mass organizations; but although provincial meetings were completed in 1973 and national preparatory meetings were convoked be-

[60] See Dittmer, "The Radical Critique of Political Interest, 1965–75," unpub. paper delivered at the Workshop on the Pursuit of Interest in the PRC (Ann Arbor, Mich.), August 1977.

[61] The initial strategy had been to set up new mass associations to replace the old ones that had become bureaucratized. But the various assemblies (viz., Workers' Assemblies, Poor-and-Lower-Middle Peasants' Associations, and so forth) began to languish following the Ninth Congress, when organizational energies were shifted to the convention of various types of activists' meetings. In the absence of Party congresses and people's congresses, these mass meetings served many of the same functions.

Beginning with their recovery of influence in 1973, the civilian radicals proceeded to introduce a series of model organizations in rapid succession. Whether because they had no organizational or coercive apparatus to back up to their adjurations, or because the new organizations themselves provided inadequate intrinsic rewards to participants, none of these initiatives ever became the sort of institutionalized model for emulation that Tachai or Tach'ing had become.

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tween February 26 and March 20, 1975, the national congresses themselves never came to pass—and have not been held at this writing. (The principal function of such congresses would be to elect a new central leadership for the mass organizations; without them, the organizations were relegated to the status of uncoordinated, headless constituencies.)[62] The urban workers' militia, first developed by Wang Hung-wen in Shanghai but given nationwide impetus only after the Tenth Congress, fell under the sway of the regional and district military unit commands in most places.[63] Beginning in 1975, the Four seemed to abandon all hope of establishing independent channels of organizational mediation and assumed a spoiler's role, infiltrating the central hierarchy with their followers in order to give premature and adverse publicity to the new economic programs of Chou En-lai and Teng Hsiao-p'ing.[64]

Effectively shut out from the channels of organizational mediation, the Four found recourse only in their prior formula of direct mass mobilization. But here they were frustrated both by the subtlety of their opposition and by weaknesses in their own position. During the Cultural Revolution, the central organizational apparatus had been paralyzed by the indictment of its leaders; but the survivors and rehabilitated cadres who staffed the reconstructed bureaucracy had learned from their experience how to resist radical attacks with greater flexibility. If radical demands were not too damaging to the bureaucracy or to its economic substructure, timely concessions could be granted to placate the more issue-oriented leftists while at the same time disarming those who hoped to use official intransigence as an excuse to purge the elite.[65]

[62] Cf. Henry Bradsher, "China: The Radical Offensive," *Asian Survey*, XIII (November 1973), 989-1001; also Helmut Martin and Wolfgang Bartke, *Die Massenorganisation der Volksrepublik China*, Mitteilungen des Instituts für Asienkunde, No. 62 (Hamburg: Institut für Asienkunde 1975), 145-54.

[63] Teng Hsiao-p'ing opposed the militia from its inception in 1973, encouraging only its defense and production tasks to the exclusion of class struggle. (Cf. *People's Daily*, June 19, 1976; Hofei Radio, April 6 and June 19, 1976; Harbin Radio, August 25, 1976; Shanghai Radio, June 19, 1976; and Peking Radio, June 20, 1976.) Teng's fears of conflict between armed factions were borne out in Chekiang province in 1974–1975, when armed clashes occurred between militia groups in Hangchow, Wenchow, and Chinhua. The militia was officially disbanded in March 1975, but hostilities continued until July, when Teng sent in the army to disarm the militiamen. Though the militia seemed to re-establish its reputation by restoring order at the T'ienanmen riots in April 1976 (whereupon the radicals called for its use in "struggle against the bourgeoisie in the Party"), militia units were disarmed and kept under military surveillance. They apparently played no role in helping to alleviate the effects of the Tangshan earthquake in July 1976, and did not react adversely when the Four fell three months later.

[64] Lieberthal (fn. 13).

[65] For example, when moderate revisions of Cultural Revolution educational innovations surfaced at the Tenth Congress, the educational authorities immediately abolished

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The radicals' control of the media, while more successful than their attempts to exert influence over other central organs, never went uncontested;[66] if radical demands were deemed excessive, the moderates could utilize their continued access to the media to defuse the inflammatory implications of the rhetoric. Thus the moderates amended the slogan, "going against the current" (coined by Mao himself prior to the Tenth Congress), to read "going against the *erroneous* current" [emphasis added], which they alleged to be "completely consistent with observing Party discipline."[67] Mao's denunciation of a "bourgeois style of life" was used by the Party leaders at whom it was probably aimed to suppress "bourgeois factionalism," just as the campaign against the hidden "counterrevolutionaries" who instigated the T'ienanmen "incident" was used by provincial leaders to justify "tracking down" their leftist critics for "sabotage activities."[68] To the masses, this continual juxtaposition of contrasting interpretations must have been quite confusing (in the spring of 1975, differing construals of "proletarian dic-

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the cultural college entrance test and readmitted those candidates who had been rejected after failing to pass the test.

[66] There seems to have been an understanding at the center that both sides in the "debate" pursued from 1973 to 1976 should have equal access to the media. Thus, when the radical journal *Study and Criticism* [Hsüeh-hsi yü p'i-p'an] was first launched in Shanghai in September 1973, the cover bore Mao's inscription of the title. But on January 16, 1974, Mao's inscription was replaced by one by Chou En-lai. It seems unlikely that Mao withdrew his imprimatur at his own initiative, or that the radicals would withdraw it; there must have been strong pressure from the moderates that the Chairman's support should not obviously be given to one side.

Moreover, it seems that the most authoritative categories of communication were off limits to the radicals and could only be employed when a consensus had developed among the leadership. For instance, when the campaign to criticize Lin Piao and Confucius began in February 1974, and again when the campaign to study the theory of proletarian dictatorship was launched in February 1975, or to study *Water Margin* in late August 1975, they were all heralded by *People's Daily* editorials and *Red Flag* commentaries, by Party committee meetings, mass rallies, editorials, and commentaries in local newspapers and on provincial radio stations, signifying elite consensus. But during the campaign to criticize Teng Hsiao-p'ing, only one editorial or commentary on the movement appeared in *People's Daily* or *Red Flag* between January 2 and April 5, and this editorial (in *People's Daily*, February 24, 1976) devoted equal space to the need to criticize the capitalist-roaders and the need to promote spring planting. Many articles appeared in *People's Daily, Kuang-ming jih-pao*, and *Red Flag*, but nearly all were signed by individuals or criticism groups, and only a few by low-level official organizations and equally low-level PLA units; there were no reports of Party meetings, mass rallies, or editorial comments from the provinces.

[67] Fang Yen-liang, "Going Against the Tide Is a Marxist-Leninist Principle," *Red Flag*, No. 1 (December 1, 1973), 23-27.

[68] Yünnan Radio, April 30, 16, and 28, 1976; Kiangsi Radio, May 3 and 5, 1976; Honan Radio, April 25, 27, and 28, 1976; Chekiang Radio, April 25, 1976; Kwangsi Radio, April 10, 1976; Hunan Radio, April 28, 1976; Hupeh Radio, April 10, 1976; Shensi Radio, April 10 and May 7, 1976; and Szechuan Radio, May 9, 1976, all reported serious incidents against local Party leaders and stressed the need to suppress counterrevolutionaries.

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tatorship" appeared within a few days of each other in the same paper),[69] but the revolutionary implications of the rhetoric were thereby blunted.

The leftist forces were also beset by grave internal weaknesses, which resulted in two unintended and apparently contradictory consequences: mass apathy and factional violence. So far as can be determined from interviews with refugees, conducted after the fall of the Four, the revolution in culture that the Four sponsored contained a number of weaknesses. Chiang Ch'ing's eight revolutionary "model theatrical productions" [*yang pan hsi*], while initially very well received, began to pall in the absence of new productions; they finally grew so obviously tiresome that Teng Hsiao-p'ing could jeer about the difficulty of selling tickets.[70] Similarly, although the radicals were able to control the supply of materials for the study meetings that were held routinely (after the Cultural Revolution, these usually consisted of selected articles from the press), the meetings were held much more frequently than ever before (from two to five times a week, and during campaigns sometimes twice a day), and the participants became bored with the proceedings. The same study materials were used repeatedly, and the more democratic atmosphere that prevailed after the Cultural Revolution allowed people to manifest their boredom with relative impunity.[71] There are several reasons for this reaction. The delicate political balance at the center induced the radicals to disguise their polemics in arguments over historical periodization and other arcana of little apparent relevance to the average worker or peasant. Except to political activists eager for fame and higher appointment, participation in the mass campaigns promised few rewards—it did not really increase productive efficiency or raise unit income, and usually imposed sacrifices on the participants. The Four themselves ceased to provide inspiring models for the masses, abandoning their nationwide speaking tours and exemplary participation in manual labor, and becoming locked into the intra-elite political game in Peking and Shanghai.

[69] One article emphasized that the "masses" should be involved in "exposing the dark side from the lower level upwards." Nan Yü, "The Vast Masses of the People Must Be Relied upon to Consolidate Proletarian Dictatorship," *People's Daily*, March 16, 1975, p. 2. Five days later, an article emphasized that the Communist Party must lead all other organizations. Li Hsin, "The Proletarian Dictatorship Is Led by the Communist Party," *People's Daily*, March 21, 1975, p. 2.

[70] Cf. *Survey of the People's Republic of China Magazines*, No. 926 (May 23, 1977), 8-30.

[71] According to my refugee informants, participants in the study groups did not even bother to conceal their apathy: "During the meeting, people would do other things—write letters, knit, chat—sometimes the chatting was louder than the person making the report, and the leader would have to ask people, 'Don't talk so loud!' People would go to sleep. Some people didn't even bother to attend."

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Since October 1976, the Hua Kuo-feng regime has seized the opportunity of the political demise of the Four to blame them for all the incidents of disruptive factionalism, labor unrest, and general disorder that have occurred since the Cultural Revolution. This is of course unfair, but the persisting moderate-radical cleavage did contribute to such disruptions in at least three ways. First, factionalism at the central level tended to foster factionalism at every subordinate echelon of the hierarchy, as lower-level officials perceived a need to join an informal group with some "connection" with higher powers in order to protect themselves and to advance their interests. Although the Four had permitted most of their mass base to be rusticated, they had managed to insert some radical leaders into staff or legislative positions throughout the hierarchy.[72] These young and ambitious cadres were always excluded from executive responsibility and usually unable to ingratiate themselves with their senior colleagues (who tended to seize every pretext to send them back down to work). It is plausible that many of them criticized their seniors when mass campaigns provided an appropriate occasion—and that their purges after the fall of the Four were thus not coincidental.

Second, by defeating plans for a wage adjustment and calling for workers to perform "voluntary labor," the Four may have inadvertently contributed to the rash of strikes and slowdowns that afflicted several branches of industry late in 1974 and during most of 1975. Despite widespread expectations that the Fourth National People's Congress and Second Plenum of the Tenth Central Committe would hold discussions leading to wage revisions, the radicals launched a media campaign against "capitalist restoration" three weeks after the NPC's adjournment. Reportedly, this campaign resulted in a wage freeze and the elimination of bonuses (which had been quietly reinstated toward the end of 1971).[73]

[72] Because of the location of the radical base at the lower echelons, some young leftists were able to achieve spectacular rises. Chang Li-kuo, a former Red Guard, became vice-chairman of the Hupei Revolutionary Committee in 1968, for example, and in 1973 became secretary of the Communist Youth League in the same province.

[73] The first and most basic wage legislation had accompanied the currency reform introduced on June 16, 1956. Since that time, there have been four further adjustments of wages, in which the system of bonuses played a central and controversial role. During the economic relaxation of 1956, wages were raised by 14.5%, only to be cut back during the Great Leap Forward; in the early 1960's wages were raised again, but during the Cultural Revolution they were cut. After the fall of Lin Piao there was another period of relaxation during which bonuses and other disputed material incentives reappeared, and toward the end of February 1975 a central document inviting further concessions on wage revisions and work grades was reportedly circulated among Party and government cadres. The radicals' campaign to consolidate the dictatorship of the proletariat successfully blocked these plans. Cf. Chien-jen Chen, *Die Lohnstruktur in der Volksrepublik China* (Bern 1972).

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Third, in view of the fact that control of the Party-government apparatus and control of the propaganda machine had fallen into the hands of opposing elite factions, the *apparatchiki* below saw little reason to cooperate in leading campaigns that might result in their being criticized themselves. The PLA withdrew its propaganda teams sometime after Lin Piao's purge; according to my informants, the Party no longer dispatched propaganda teams after the "Criticize Lin Piao and Confucius" campaign wound down in late 1974. Attempts to mobilize the masses in the absence of any supporting institutional framework resulted, on the one hand, in rather localized, small-scale participation;[74] on the other, it permitted mobilization to pass into the hands of informal groups, who were difficult to coordinate and tended to clash with the authorities and with each other. Under these circumstances, whenever the Four attempted to mobilize a mass base, a threshold would quickly be reached beyond which unacceptable factional violence ensued, forcing them to demobilize.[75]

(3) If all else failed, the Four could hope to remain the Chairman's favorites, currying favor by carrying out projects that were dear to Mao's heart but unattainable by bureaucratic means. This was the least desirable alternative from the point of view of the Four, as it entailed abandoning all hope of surviving Mao's demise. Yet despite a certain amount of friction, they seem to have succeeded in that role—though it is now vehemently denied. Mao's failing health seems to have allowed them to monopolize access to his person more completely than before,

[74] In most places, the debate was confined to a few higher institutes of learning and to individual departments within these institutes. The major participating schools tended to be confined to Peking, Shanghai, and Liaoning provinces, and only Shanghai permitted big-character posters in the public places as well as in the schools. This reduced scale of mobilization in 1975 and 1976 contrasts starkly with the nationwide reaction to Mao's first big-character poster in August 1966.

[75] In the spring of 1974, the ban on public display of posters was briefly challenged for the first time since the Cultural Revolution. The Criticize Lin Piao and Confucius Movement was intensified in February, following publication of the February 2 editorial in *People's Daily*, "Carry the Criticize Lin Piao and Confucius Movement Through to the End." According to an edict sent down in February for implementation of the movement, it was not permitted to criticize leaders by name, to engage in armed struggle, to conduct illegal "link-ups" [*ch'uan-lien*], to take revenge, or to post big-character posters in the streets. But on May 5, Mao said: "I see nothing wrong with posting big-character posters in the streets, and if foreigners want to read them, fine; if the Chinese want to read them, even better." Thus on May 18, the center issued its *Chung-fa* No. 18, permitting cadres to be criticized by name and posters to be posted in the streets. The first critical poster appeared opposite the door of the Peking Revolutionary Committee on June 13, and was followed by many others. This "blooming" lasted less than a month before it was curtailed by *Chung-fa* No. 21 on July 1, which for the first time acknowledged that the movement was having an adverse effect on industrial production. Wang En, "What Does the Promotion of Big-Character Posters Mean?" *Chan-wang*, No. 299 (July 16, 1974), 9-11; and "The Changing Political Situation of the Chinese Communists in 1974," *ibid.*, No. 311 (January 16, 1975), 9-11.

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particularly after Chou En-lai was hospitalized in 1974.[76] Chiang Ch'ing continued her avid pursuit of the revolutionization of Peking opera and ballet, and the Chairman continued to support these endeavors,[77] whatever his reactions may have been to her interviews with Roxane Witke. Mao also gave his public endorsement, in the form of some brief but widely publicized quotations,[78] to the series of campaigns launched by the radicals between 1973 and 1976. Finally and perhaps most importantly, although rhetorical tributes to the "new-born things" of the Cultural Revolution were not totally missing from the political remarks of other leaders, only the Four demonstrated a sustained and sincere commitment to these values in the face of possible sacrifices of economic productivity.

In sum, the base of the Gang of Four on the eve of their political eclipse consisted of the following: (1) A bureaucratic constituency of young, ambitious, and inexperienced cadres, most of whom were former Red Guard leaders, and none of whom held responsible executive positions. These were effective allies when the Four were on the offensive against other targets, but lacked the bureaucratic "indispensability" to exert leverage when the Four themselves became targets. (2) A residual mass constituency of radical students and a few teachers at what had been China's elite schools, along with certain relatively deprived categories of workers. The former were mobilizable but isolated and dispensable; the latter were economically indispensable but not mobilizable because of the disruptive effects that mobilization precipitated. When confronted with the *fait accompli* of the arrest of the Four, their small mass constituency found itself stripped of central symbolic legitimization and possibly implicated in a counterrevolutionary coup d'état; because the members of this constituency were for the most part have-not elements, they lacked the resources to resist such a symbolic turnabout. (3) The primary base remained the aging but still peerless Chairman, whose prestige protected the Four from the con-

[76] Mao made his last public appearance to the Chinese masses in May 1971, and his last appearance to Chinese leaders in August 1973; thereafter his only appearances were to foreign guests, accompanied by a few selected Chinese leaders. Consequently, audiences with subordinates not on familiar terms with him were sharply reduced. His relationship with Chiang Ch'ing reportedly cooled after 1973, but many of his other personal retainers (such as Mao Yüan-hsin) sympathized with the radicals.

[77] In July 1974, at the tenth anniversary of the Peking Opera Festival, Chiang Ch'ing was hailed as an "expounder of Mao Tse-tung's Thought," an honor previously reserved to Lin Piao and Chou En-lai alone. *People's Daily*, July 16, 1974.

[78] Brief quotations from Mao figured in the campaign literature of the Criticize Lin Piao and Confucius Movement, the Movement to "Go against the Current," the Movement to Consolidate the Dictatorship of the Proletariat and Criticize the Bourgeois Right, and the Movement to Criticize *Water Margin*.

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sequences of their errors for as long as he lived, perhaps giving them illusions of invulnerability. This prestige was however the product of Mao's unique charisma and proved to be nontransferable.

Conclusion

Beginning with the exposition of a theory purporting to elucidate the underlying political substructure of Chinese leadership disputes, I have attempted to show how the fate of the Gang of Four conformed to the immanent logic of this substructure despite arduous attempts by the Four to change the rules of the game. There is perhaps an inherent tendency for proletarian dictatorships with strong prerevolutionary theocratic traditions to undergo what might be termed "autocratic involution," in which the supreme leader seems for a time to transcend the political laws of gravity and, in his own right, to become a power base from which an autonomous factional constituency may grow. However, the favorites who attach themselves to such a leader are always faced with the problem of succession—and to a magnified degree, because of the uncertainty endemic to crises of succession in proletarian dictatorships.[79] Impaled on the horns of this dilemma, the favorites must expand their base and find ideological legitimation for expansion without jeopardizing their privileged relationship to the original patron. The fate of the Four illustrates the perils inherent in such a situation. While they irritated the Chairman in their sometimes clumsy attempts to win a popular following,[80] the Four were not able either to cultivate a mass base or to mollify their colleagues. They managed only to frighten the military-bureaucratic establishment without being able to destroy or to replace it, and to mobilize a mass constituency without being able to protect it or to satisfy its aroused aspirations. Thus they were easily expendable as soon as their powerful patron died.

The failure of the Four underlines the profound importance of broad and deep backgrounds and reliable political bases in contemporary Chinese politics. It may also illuminate the situation of Hua Kuo-feng, whose background is somewhat broader than that of the Four, but not really much deeper. Hua rose to central leadership no less suddenly than Wang Hung-wen; but in contrast to the Four, he pursued

[79] Cf. Myron Rush, *How Communist States Change their Rulers* (Ithaca, N.Y.: Cornell University Press 1974).

[80] Most notably, Chiang Ch'ing's interviews with Roxane Witke, through which she apparently hoped to build an international reputation for herself similar to that created for Mao by Edgar Snow.

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a strategy of accommodation with established military and bureaucratic elites while assuming a calm, paternalistic stance toward the masses. As Mao's allegedly handpicked successor, he seems least likely to repudiate his ideological legacy explicitly, although his alliance of convenience with the leaders of the military and bureaucratic establishment ensures that he will give it an innocuous interpretation. His quietly equivocal maneuvers during the long crisis of succession and his tactical brilliance in launching the coup that consolidated his position already mark Hua as a power politician *par excellence*. At the same time, his lack of any firm political base makes him more vulnerable than might appear from his occupation of the nation's three highest leadership posts; if he were to commit a serious political blunder, it is not inconceivable that he could vanish as tracelessly as the Gang of Four.[81]

Assuming Hua realizes his precarious position, it should lead him to pursue an extremely cautious, consensus-building "line" that will under the best of circumstances avoid catastrophes and under the worst of circumstances implicate all potential rivals in any mistakes. By pursuing this type of bureaucratic politics, Hua could minimize the necessity to resort to informal bases (where he is weakest) and emphasize the construction of a strong institutional framework, where discussions would be conducted and consensus attained in adherence to formal rules. Besides serving Hua's interests, such a policy might coincide with the functional need of the Chinese political system for a period of consolidation, for respite from a decade of internecine civil strife. At the same time, the tendency to avoid conflict or controversy and to suppress adverse popular feedback in the name of order may permit the rise of cumulative problems of bureaucratic rigidification and gerontocracy, from which future political generations may wish to break free.

[81] Hua's position is superficially similar to that of Hsiang Chung-fa, who served as a figurehead Party secretary from 1930 until his death a year later at the hands of the KMT. But Hua's political environment is more stable, and his more solidly based colleagues are old (at this writing, Yeh Chien-ying is 79; Li Hsien-nien, 72; Teng Hsiao-p'ing, 74) and seem to support him as one who can maintain stability and policy continuity after their deaths.

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ANALYSIS, WAR, AND DECISION: Why Intelligence Failures Are Inevitable

By RICHARD K. BETTS*

MILITARY disasters befall some states, no matter how informed their leaders are, because their capabilities are deficient. Weakness, not choice, is their primary problem. Powerful nations are not immune to calamity either, because their leaders may misperceive threats or miscalculate responses. Information, understanding, and judgment are a larger part of the strategic challenge for countries such as the United States. Optimal decisions in defense policy therefore depend on the use of strategic intelligence: the acquisition, analysis, and *appreciation* of relevant data. In the best-known cases of intelligence failure, the most crucial mistakes have seldom been made by collectors of raw information, occasionally by professionals who produce finished analyses, but most often by the decision makers who consume the products of intelligence services. Policy premises constrict perception, and administrative workloads constrain reflection. Intelligence failure is political and psychological more often than organizational.

Observers who see notorious intelligence failures as egregious often infer that disasters can be avoided by perfecting norms and procedures for analysis and argumentation. This belief is illusory. Intelligence can be improved marginally, but not radically, by altering the analytic system. The illusion is also dangerous if it abets overconfidence that systemic reforms will increase the predictability of threats. The use of intelligence depends less on the bureaucracy than on the intellects and inclinations of the authorities above it. To clarify the tangled relationship of analysis and policy, this essay explores conceptual approaches to intelligence failure, differentiation of intelligence problems, insurmountable obstacles to accurate assessment, and limitations of solutions proposed by critics.

I. Approaches to Theory

Case studies of intelligence failures abound, yet scholars lament the lack of a theory of intelligence.[1] It is more accurate to say that we lack

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[1] For example, Klaus Knorr, "Failures in National Intelligence Estimates: The Case

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a positive or normative theory of intelligence. Negative or descriptive theory—the empirical understanding of how intelligence systems make mistakes—is well developed. The distinction is significant because there is little evidence that either scholars or practitioners have succeeded in translating such knowledge into reforms that measurably reduce failure. Development of a normative theory of intelligence has been inhibited because the lessons of hindsight do not guarantee improvement in foresight, and hypothetical solutions to failure only occasionally produce improvement in practice. The problem of intelligence failure can be conceptualized in three overlapping ways. The first is the most reassuring; the second is the most common; and the third is the most important.

1. *Failure in perspective.* There is an axiom that a pessimist sees a glass of water as half empty and an optimist sees it as half full. In this sense, the estimative system is a glass half full. Mistakes can happen in any activity. Particular failures are accorded disproportionate significance if they are considered in isolation rather than in terms of the general ratio of failures to successes; the record of success is less striking because observers tend not to notice disasters that do not happen. Any academician who used a model that predicted outcomes correctly in four out of five cases would be happy; intelligence analysts must use models of their own and should not be blamed for missing occasionally. One problem with this benign view is that there are no clear indicators of what the ratio of failure to success in intelligence is, or whether many successes on minor issues should be reassuring in the face of a smaller number of failures on more critical problems.[2] In the thermonuclear age, just *one* mistake could have apocalyptic consequences.

2. *Pathologies of communication.* The most frequently noted sources of breakdowns in intelligence lie in the process of amassing timely

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of the Cuban Missiles," *World Politics*, XVI (April 1964), 455, 465-66; Harry Howe Ransom, "Strategic Intelligence and Foreign Policy," *World Politics*, XXVII (October 1974), 145.

[2] "As that ancient retiree from the Research Department of the British Foreign Office reputedly said, after serving from 1903-50: 'Year after year the worriers and fretters would come to me with awful predictions of the outbreak of war. I denied it each time. I was only wrong twice.'" Thomas L. Hughes, *The Fate of Facts in a World of Men—Foreign Policy and Intelligence-Making* (New York: Foreign Policy Association, Headline Series No. 233, December 1976), 48. Paradoxically, "successes may be indistinguishable from failures." If analysts predict war and the attacker cancels his plans because surprise has been lost, "success of the intelligence services would have been expressed in the falsification of its predictions," which would discredit the analysis. Avi Shlaim, "Failures in National Intelligence Estimates: The Case of the Yom Kippur War," *World Politics*, XXVIII (April 1976), 378.

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data, communicating them to decision makers, and impressing the latter with the validity or relevance of the information. This view of the problem leaves room for optimism because it implies that procedural curatives can eliminate the dynamics of error. For this reason, official post mortems of intelligence blunders inevitably produce recommendations for reorganization and changes in operating norms.

3. *Paradoxes of perception.* Most pessimistic is the view that the roots of failure lie in unresolvable trade-offs and dilemmas. Curing some pathologies with organizational reforms often creates new pathologies or resurrects old ones;[3] perfecting intelligence production does not necessarily lead to perfecting intelligence consumption; making warning systems more sensitive reduces the risk of surprise, but increases the number of false alarms, which in turn reduces sensitivity; the principles of optimal analytic procedure are in many respects incompatible with the imperatives of the decision process; avoiding intelligence failure requires the elimination of strategic preconceptions, but leaders cannot operate purposefully without some preconceptions. In devising measures to improve the intelligence process, policy makers are damned if they do and damned if they don't.

It is useful to disaggregate the problem of strategic intelligence failures in order to elicit clues about which paradoxes and pathologies are pervasive and therefore most in need of attention. The crucial problems of linkage between analysis and strategic decision can be subsumed under the following categories:

1. *Attack warning.* The problem in this area is timely prediction of an enemy's immediate intentions, and the "selling" of such predictions to responsible authorities. Major insights into intelligence failure have emerged from catastrophic surprises: Pearl Harbor, the Nazi invasion of the U.S.S.R., the North Korean attack and Chinese intervention of 1950, and the 1973 war in the Middle East. Two salient phenomena characterize these cases. First, evidence of impending attack was available, but did not flow efficiently up the chain of command. Second, the fragmentary indicators of alarm that did reach decision makers were dismissed because they contradicted strategic estimates or assumptions. In several cases hesitancy in communication and disbelief on the part of leaders were reinforced by deceptive enemy maneuvers that cast doubt on the data.[4]

[3] Compare the prescriptions in Peter Szanton and Graham Allison, "Intelligence: Seizing the Opportunity," with George Carver's critique, both in *Foreign Policy*, No. 22 (Spring 1976).

[4] Roberta Wohlstetter, *Pearl Harbor: Warning and Decision* (Stanford: Stanford

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2. *Operational evaluation.* In wartime, the essential problem lies in judging the results (and their significance) of interacting capabilities. Once hostilities are under way, informed decision making requires assessments of tactical effectiveness—"how we are doing"—in order to adapt strategy and options. In this dimension, the most interesting insights have come from Vietnam-era memoirs of low-level officials and from journalistic muckraking. Again there are two fundamental points. First, within the context of a glut of ambiguous data, intelligence officials linked to operational agencies (primarily military) tend to indulge a propensity for justifying service performance by issuing optimistic assessments, while analysts in autonomous non-operational units (primarily in the Central Intelligence Agency and the late Office of National Estimates) tend to produce more pessimistic evaluations. Second, in contrast to cases of attack warning, fragmentary tactical indicators of *success* tend to override more general and cautious strategic estimates. Confronted by differing analyses, a leader mortgaged to his policy tends to resent or dismiss the critical ones, even when they represent the majority view of the intelligence community, and to cling to the data that support continued commitment.[5] Lyndon Johnson railed at his Director of Central Intelligence (DCI) at a White House dinner: "Policy making is like milking a fat cow. You see the milk coming out, you press more and the milk bubbles and flows, and just as the bucket is full, the cow with its tail whips the bucket and all is

University Press 1962); Barton Whaley, *Codeword Barbarossa* (Cambridge: The M.I.T. Press 1973); Harvey De Weerd, "Strategic Surprise in the Korean War," *Orbis*, VI (Fall 1962); Alan Whiting, *China Crosses the Yalu* (New York: Macmillan 1960); James F. Schnabel, *Policy and Direction: The First Year* (Washington, D.C.: Department of the Army 1972), 61-65, 83-85, 274-78; Michael I. Handel, *Perception, Deception, and Surprise: The Case of the Yom Kippur War* (Jerusalem: Leonard Davis Institute of International Relations, Jerusalem Paper No. 19, 1976); Shlaim (fn. 2); Abraham Ben-Zvi, "Hindsight and Foresight: A Conceptual Framework for the Analysis of Surprise Attacks," *World Politics*, XXVIII (April 1976); Amos Perlmutter, "Israel's Fourth War, October 1973: Political and Military Misperceptions," *Orbis*, XIX (Summer 1975); U.S., Congress, House, Select Committee on Intelligence [hereafter cited as HSCI], *Hearings, U.S. Intelligence Agencies and Activities: The Performance of the Intelligence Community*, 94th Cong., 1st sess., 1975; Draft Report of the House Select Committee on Intelligence, published in *The Village Voice*, February 16, 1976, pp. 76-81.

[5] David Halberstam, *The Best and the Brightest* (New York: Random House 1972); Morris Blachman, "The Stupidity of Intelligence," in Charles Peters and Timothy J. Adams, eds., *Inside the System* (New York: Praeger 1970); Patrick J. McGarvey, "DIA: Intelligence to Please," in Morton Halperin and Arnold Kanter, eds., *Readings in American Foreign Policy: A Bureaucratic Perspective* (Boston: Little, Brown 1973); Chester Cooper, "The CIA and Decision-Making," *Foreign Affairs*, Vol. 50 (January 1972); Sam Adams, "Vietnam Cover-Up: Playing War With Numbers," *Harper's*, Vol. 251 (June 1975); Don Oberdorfer, *Tet!* (Garden City, N.Y.: Doubleday 1971). For a more detailed review, see Richard K. Betts, *Soldiers, Statesmen, and Cold War Crises* (Cambridge: Harvard University Press 1977), chap. 10.

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spilled. That's what CIA does to policy making."[6] From the consensus-seeking politician, this was criticism; to a pure analyst, it would have been flattery. But it is the perspective of the former, not the latter, that is central in decision making.

3. *Defense planning.* The basic task in using intelligence to develop doctrines and forces for deterrence and defense is to estimate threats posed by adversaries, in terms of both capabilities and intentions, over a period of several years. Here the separability of intelligence and policy, analysis and advocacy, is least clear. In dealing with the issue of "how much is enough" for security, debates over data merge murkily into debates over options and programs. As in operational evaluation, the problem lies more in data mongering than in data collecting. To the extent that stark generalizations are possible, the basic points in this category are the reverse of those in the previous one.

First, the justification of a mission (in this case, preparedness for future contingencies as opposed to demonstration of current success on the battlefield) prompts pessimistic estimates by operational military analysts; autonomous analysts without budgetary axes to grind, but with biases similar to those prevalent in the intellectual community, tend toward less alarmed predictions.[7] Military intelligence inclines toward "worst-case" analysis in planning, and toward "best-case" analysis in operational evaluation. (Military intelligence officials such as Lieutenant General Daniel Graham were castigated by liberals for *under*estimating the Vietcong's strength in the 1960's but for *over*-estimating Soviet strength in the 1970's.) Air Force intelligence overestimated Soviet air deployments in the "bomber gap" controversy of the 1950's, and CIA-dominated National Intelligence Estimates (NIE's) underestimated Soviet ICBM deployments throughout the 1960's (overreacting, critics say, to the mistaken prediction of a "missile gap" in 1960).[8]

[6] Quoted in Henry Brandon, *The Retreat of American Power* (Garden City, N.Y.: Doubleday 1973), 103.

[7] Betts (fn. 5), 160-61, 192-95. On bias within CIA, see James Schlesinger's comments in U.S., Congress, Senate, Select Committee to Study Governmental Operations with Respect to Intelligence Activities [hereafter cited as SSCI], *Final Report, Foreign and Military Intelligence*, Book I, 94th Cong., 2d sess., 1976, 76-77.

[8] *Ibid.*, Book IV, 56-59; William T. Lee, *Understanding the Soviet Military Threat: How CIA Estimates Went Astray* (New York: National Strategy Information Center, Agenda Paper No. 6, 1977), 24-37; Albert Wohlstetter: "Is There a Strategic Arms Race?" *Foreign Policy*, No. 15 (Summer 1974); Wohlstetter, "Rivals, But No Race," *Foreign Policy*, No. 16 (Fall 1974); Wohlstetter, "Optimal Ways to Confuse Ourselves," *Foreign Policy*, No. 20 (Fall 1975). There are exceptions to this pattern of military and civilian bias: see *ibid.*, 185-88; Lieutnant General Daniel Graham, USA (Ret.), "The Intelligence Mythology of Washington," *Strategic Review*, IV (Summer

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Second, in the context of peacetime, with competing domestic claims on resources, political leaders have a natural interest in at least partially rejecting military estimates and embracing those of other analysts who justify limiting allocations to defense programs. If the President had accepted pessimistic CIA operational evaluations in the mid-1960's, he might have withdrawn from Vietnam; if he had accepted pessimistic military analyses of the Soviet threat in the mid-1970's, he might have added massive increases to the defense budget.

Some chronic sources of error are unique to each of these three general categories of intelligence problems, and thus do not clearly suggest reforms that would be advisable across the board. To compensate for the danger in conventional attack warning, reliance on worst-case analysis might seem the safest rule, but in making estimates for defense planning, worst-case analysis would mandate severe and often unnecessary economic sacrifices. Removing checks on the influence of CIA analysts and "community" staffs[9] might seem justified by the record of operational evaluation in Vietnam, but would not be warranted by the record of estimates on Soviet ICBM deployments. It would be risky to alter the balance of power systematically among competing analytic components, giving the "better" analysts more status. Rather, decision makers should be encouraged to be more *and* less skeptical of certain agencies' estimates, *depending on the category of analysis involved.*

Some problems, however, cut across all three categories and offer a more general basis for considering changes in the system. But these general problems are not very susceptible to cure by formal changes in process, because it is usually impossible to disentangle intelligence failures from policy failures. Separation of intelligence and policy making has long been a normative concern of officials and theorists, who have seen both costs and benefits in minimizing the intimacy between intelligence professionals and operational authorities. But, although the personnel can be segregated, the functions cannot, unless intelligence is defined narrowly as the collection of data, and analytic responsibility is reserved to decision makers. Analysis and decision are interactive

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1976), 61-62, 64; Victor Marchetti and John Marks, *The CIA and the Cult of Intelligence* (New York: Knopf 1974), 309.

[9] The U.S. intelligence *community* includes the CIA, Defense Intelligence Agency (DIA), National Security Agency, the intelligence branches of each military service, the State Department Bureau of Intelligence and Research, the intelligence units of the Treasury and Energy Departments, and the FBI. Before 1973, coordination for national estimates was done through the Office of National Estimates, and since then, through the National Intelligence Officers. The Intelligence Community Staff assists the Director of Central Intelligence in managing allocation of resources and reviewing the agencies' performance.

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rather than sequential processes. By the narrower definition of intelligence, there have actually been few major failures. In most cases of mistakes in predicting attacks or in assessing operations, the inadequacy of critical data or their submergence in a viscous bureaucracy were at best the proximate causes of failure. The ultimate causes of error in most cases have been wishful thinking, cavalier disregard of professional analysts, and, above all, the premises and preconceptions of policy makers. Fewer fiascoes have occurred in the stages of acquisition and presentation of facts than in the stages of interpretation and response. Producers of intelligence have been culprits less often than consumers. Policy perspectives tend to constrain objectivity, and authorities often fail to use intelligence properly. As former State Department intelligence director Ray Cline testified, defending his analysts' performance in October 1973 and criticizing Secretary Kissinger for ignoring them:

> Unless something is totally conclusive, you must make an inconclusive report. . . . by the time you are sure it is always very close to the event. So I don't think the analysts did such a lousy job. What I think was the lousy job was in bosses not insisting on a new preparation at the end of that week [before war broke out]. . . . the reason the system wasn't working very well is that people were not asking it to work and not listening when it did work.[10]

II. Basic Barriers to Analytic Accuracy

Many constraints on the optimal processing of information lie in the structure of authority and the allocation of time and resources. Harold Wilensky argues persuasively that the intelligence function is hindered most by the structural characteristics of hierarchy, centralization, and specialization.[11] Yet it is precisely these characteristics that are the essence of any government. A related problem is the dominance of operational authorities over intelligence specialists, and the trade-off between objectivity and influence. Operators have more influence in decision making but are less capable of unbiased interpretation of evidence because they have a vested interest in the success of their operations; autonomous analysts are more disinterested and usually more objective, but lack influence. Senior generalists at the policy level often distrust or discount the judgments of analytic professionals and place more weight on reports from operational sources.[12] In response to this

[10] HSCI, *Hearings* (fn. 4), 656-57.

[11] Wilensky, *Organizational Intelligence* (New York: Basic Books 1967), 42-62, 126, 179.

[12] *Ibid., passim.* The counterpoint of Cooper (fn. 5) and McGarvey (fn. 5) presents a perfect illustration.

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phenomenon, the suggestion has been made to *legislate* the requirement that decision makers consider analyses by the CIA's Intelligence Directorate (now the National Foreign Assessment Center) before establishing policy.[13] Such a requirement would offer no more than wishful formalism. Statutory fiat cannot force human beings to value one source above another. "No power has yet been found," DCI Richard Helms has testified, "to force Presidents of the United States to pay attention on a continuing basis to people and papers when confidence has been lost in the originator."[14] Moreover, principals tend to believe that they have a wider point of view than middle-level analysts and are better able to draw conclusions from raw data. That point of view underlies their fascination with current intelligence and their impatience with the reflective interpretations in "finished" intelligence.[15]

The dynamics of decision are also not conducive to analytic refinement. In a crisis, both data and policy outpace analysis, the ideal process of staffing and consultation falls behind the press of events, and careful estimates cannot be digested in time. As Winston Churchill recalled of the hectic days of spring 1940, "The Defence Committee of the War Cabinet sat almost every day to discuss the reports of the Military Co-ordination Committee and those of the Chiefs of Staff; and their conclusions or divergences were again referred to frequent Cabinets. All had to be explained or reexplained; and by the time this process was completed, the whole scene had often changed."[16] Where there is ample time for decision, on the other hand, the previously mentioned bureaucratic impediments gain momentum.[17] Just as information processing is frustrated by constraints on the time that harried principals can spend scrutinizing analytic papers, it is constrained by the funds that a government can spend. To which priorities

[13] Graham Allison and Peter Szanton, *Remaking Foreign Policy: The Organizational Connection* (New York: Basic Books 1976), 204.

[14] Quoted in SSCI, *Final Report* (fn. 7), I, 82.

[15] *Ibid.*, 267, 276; SSCI, *Staff Report, Covert Action in Chile 1963–1973*, 94th Cong., 1st sess., 1975, 48-49. The Senate Committee deplored the tendency of decision makers to focus on the latest raw data rather than on refined analyses, a practice that contributed to the intelligence failure in the 1974 Cyprus crisis. SSCI, *Final Report* (fn. 7), I, 443. But the failure in the October War was largely due to the *reverse* phenomenon: disregarding warning indicators because they contradicted finished intelligence that minimized the possibility of war. HSCI Draft Report (fn. 4), 78; Ben-Zvi (fn. 4), 386, 394; Perlmutter (fn. 4), 453.

[16] Churchill, *The Gathering Storm* (Boston: Houghton Mifflin 1948), 587-88.

[17] "Where the end is knowledge, as in the scientific community, time serves intelligence; where the end is something else—as in practically every organization but those devoted entirely to scholarship—time subverts intelligence, since in the long run, the central institutionalized structures and aims (the maintenance of authority, the accommodation of departmental rivalries, the service of established doctrine) will prevail." Wilensky (fn. 11), 77.

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should scarce resources be allocated? The Schlesinger Report of 1971, which led to President Nixon's reorganization of U.S. intelligence, noted that criticisms of analytic products were often translated into demands for more extensive collection of data, but "Seldom does anyone ask if a further reduction in uncertainty, however small, is worth its cost."[18] Authorities do not always know, however, which issues require the greatest attention and which uncertainties harbor the fewest potential threats. Beyond the barriers that authority, organization, and scarcity pose to intelligence lie more fundamental and less remediable intellectual sources of error.

1. *Ambiguity of evidence.* Intelligence veterans have noted that "estimating is what you do when you do not know,"[19] but "it is inherent in a great many situations that after reading the estimate, you will still not know."[20] These observations highlight an obvious but most important obstacle to accuracy in analysis. It is the role of intelligence to extract certainty from uncertainty and to facilitate coherent decision in an incoherent environment. (In a certain and coherent environment there is less need for intelligence.) To the degree they reduce uncertainty by extrapolating from evidence riddled with ambiguities, analysts risk oversimplifying reality and desensitizing the consumers of intelligence to the dangers that lurk within the ambiguities; to the degree they do not resolve ambiguities, analysts risk being dismissed by annoyed consumers who see them as not having done their job. Uncertainty reflects inadequacy of data, which is usually assumed to mean *lack* of information. But ambiguity can also be aggravated by an *excess* of data. In attack warning, there is the problem of "noise" and deception; in operational evaluation (particularly in a war such as Vietnam), there is the problem of overload from the high volume of finished analyses, battlefield statistics, reports, bulletins, reconnaissance, and communications intercepts flowing upward through multiple channels at a rate exceeding the capacity of officials to absorb or scrutinize them judiciously. (From the CIA alone, the White House received current intelligence dailies, Weekly Reports, daily Intelligence Information Cables, occasional Special Reports and specific memoranda, and analyses from the CIA Vietnam Working Group.) Similarly, in estimates for defense planning, there is the problem of innumerable and endlessly refined indices of the strategic balance, and the

[18] Quoted in SSCI, *Final Report* (fn. 7), I, 274.
[19] Sherman Kent, "Estimates and Influence," *Foreign Service Journal*, XLVI (April 1969), 17.
[20] Hughes (fn. 2), 43.

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dependence of assessments of capabilities on complex and variable assumptions about the doctrine, scenarios, and intentions that would govern their use.

Because it is the job of decision makers to decide, they cannot react to ambiguity by deferring judgment.[21] When the problem is an environment that lacks clarity, an overload of conflicting data, and lack of time for rigorous assessment of sources and validity, ambiguity abets instinct and allows intuition to drive analysis. Intelligence can fail because the data are too permissive for policy judgment rather than too constraining. When a welter of fragmentary evidence offers support to various interpretations, ambiguity is exploited by wishfulness. The greater the ambiguity, the greater the impact of preconceptions.[22] (This point should be distinguished from the theory of cognitive dissonance, which became popular with political scientists at the time it was being rejected by psychologists.)[23] There is some inverse relation between the importance of an assessment (when uncertainty is high) and the likelihood that it will be accurate. Lyndon Johnson could reject pessimistic NIE's on Vietnam by inferring more optimistic conclusions from the reports that came through command channels on pacification, interdiction, enemy casualties, and defections. Observers who assume Soviet malevolence focus on analyses of strategic forces that emphasize missile throw-weight and gross megatonnage (Soviet advantages); those who assume more benign Soviet intentions focus on analyses that emphasize missile accuracy and numbers of warheads (U.S. advantages). In assessing the naval balance, Secretary of Defense Rumsfeld focused on numbers of ships (Soviet lead), and Congressman Les Aspin, a critic of the Pentagon, focused on total tonnage (U.S. lead).

[21] "The textbooks agree, of course, that we should only believe reliable intelligence, and should never cease to be suspicious, but what is the use of such feeble maxims? They belong to that wisdom which for want of anything better scribblers of systems and compendia resort to when they run out of ideas." Carl von Clausewitz, *On War*, ed. and trans. by Michael Howard and Peter Paret (Princeton: Princeton University Press 1976), 117.

[22] Robert Jervis, *The Logic of Images in International Relations* (Princeton: Princeton University Press 1970), 132; Jervis, *Perception and Misperception in International Politics* (Princeton: Princeton University Press 1976), chap. 4; Floyd Allport, *Theories of Perception and the Concept of Structure*, cited in Shlaim (fn. 2), 358. Cognitive theory suggests that uncertainty provokes decision makers to separate rather than integrate their values, to deny that inconsistencies between values exist, and even to see contradictory values as mutually supportive. John Steinbruner, *The Cybernetic Theory of Decision* (Princeton: Princeton University Press 1974), 105-8.

[23] See William J. McGuire, "Selective Exposure: A Summing Up," in R. P. Abelson and others, eds., *Theories of Cognitive Consistency* (Chicago: Rand McNally 1968), and Irving L. Janis and Leon Mann, *Decision Making: A Psychological Analysis of Conflict, Choice, and Commitment* (New York: Free Press 1977), 213-14.

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2. *Ambivalence of judgment.* Where there are ambiguous and conflicting indicators (the context of most failures of intelligence), the imperatives of honesty and accuracy leave a careful analyst no alternative but ambivalence. There is usually *some* evidence to support *any* prediction. For instance, the CIA reported in June 1964 that a Chinese instructor (deemed not "particularly qualified to make this remark") had told troops in a course in guerrilla warfare, "We will have the atom bomb in a matter of months."[24] Several months later the Chinese did perform their first nuclear test. If the report had been the only evidence, should analysts have predicted the event? If they are not to make a leap of faith and ignore the data that do not mesh, analysts will issue estimates that waffle. In trying to elicit nuances of probability from the various possibilities not foreclosed by the data, cautious estimates may reduce ambivalence, but they may become Delphic or generalized to the point that they are not useful guides to decision. (A complaint I have heard in conversations with several U.S. officials is that many past estimates of Soviet objectives could substitute the name of any other great power in history—Imperial Rome, 16th-century Spain, Napoleonic France—and sound equally valid.) Hedging is the legitimate intellectual response to ambiguity, but it can be politically counterproductive, if the value of intelligence is to shock consumers out of wishfulness and cognitive insensitivity. A wishful decision maker can fasten onto that half of an ambivalent analysis that supports his predisposition.[25] A more objective official may escape this temptation, but may consider the estimate useless because it does not provide "the answer."

3. *Atrophy of reforms.* Disasters always stimulate organizational changes designed to avert the same failures in the future. In some cases these changes work. In many instances, however, the changes persist formally but erode substantively. Standard procedures are constant. Dramatic failures occur only intermittently. If the reforms in procedure they have provoked do not fulfill day-to-day organizational needs—or

[24] CIA Intelligence Information Cable, "Remarks of the Chief of the Nanking Military Academy and Other Chinese Leaders on the Situation in South Vietnam," June 25, 1964, in Lyndon B. Johnson Library National Security Files, Vietnam Country File [hereafter cited as LBJL/NSF-VNCF], Vol. XII, item 55.

[25] See for example, U.S., Department of Defense, *The Senator Gravel Edition: The Pentagon Papers* (Boston: Beacon Press 1971) [hereafter cited as *Pentagon Papers*], Vol. II, 99; Frances Fitzgerald, *Fire in the Lake* (Boston: Atlantic–Little, Brown 1972), 364; Special National Intelligence Estimate 53-64, "Chances for a Stable Government in South Vietnam," September 18, 1964, and McGeorge Bundy's covering letter to the President, in LBJL/NSF-VNCF, Vol. XIII, item 48.

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if, as often happens, they complicate operations and strain the organization's resources—they fall into disuse or become token practices. After the postmortem of North Korea's downing of a U.S. EC-121 monitoring aircraft in 1969, there was, for several months, a great emphasis on risk assessments for intelligence collection missions. Generals and admirals personally oversaw the implementation of new procedures for making the assessments. Six months later, majors and captains were doing the checking. "Within a year the paperwork was spot-checked by a major and the entire community slid back to its old way of making a 'quick and dirty' rundown of the JCS criteria when sending in reconnaissance mission proposals."[26] The downing of the U-2 over the Soviet Union in 1960 and the capture of the intelligence ship *Pueblo* in 1968 had been due in part to the fact that the process of risk assessment for specific collection missions, primarily the responsibility of overworked middle-level officers, had become ponderous, sloppy, or ritualized.[27] At a higher level, a National Security Council Intelligence Committee was established in 1971 to improve responsiveness of intelligence staff to the needs of policy makers. But since the subcabinet-level consumers who made up the committee were pressed by other responsibilities, it lapsed in importance and was eventually abolished.[28] A comparable NSC committee that *did* serve tangible day-to-day needs of consumers to integrate intelligence and policy—the Verification Panel, which dealt with SALT—was more effective, but it was issue-oriented rather than designed to oversee the intelligence process itself. Organizational innovations will not improve the role of intelligence in policy unless they flow from the decision makers' views of their own needs and unless they provide frequent practical benefits.

None of these three barriers are accidents of structure or process. They are inherent in the nature of intelligence and the dynamics of work. As such, they constitute severe constraints on the efficacy of structural reform.

[26] Patrick J. McGarvey, *CIA: The Myth and the Madness* (Baltimore: Penguin 1974), 16.

[27] David Wise and Thomas B. Ross, *The U-2 Affair* (New York: Random House 1962), 56, 176, 180; Trevor Armbrister, *A Matter of Accountability* (New York: Coward-McCann 1970), 116-18, 141-45, 159, 187-95; U.S., Congress, House, Committee on Armed Services, *Report, Inquiry Into the U.S.S. Pueblo and EC-121 Plane Incidents* [hereafter cited as *Pueblo and EC-121 Report*], 91st Cong., 1st sess., 1969, 1622-24, 1650-51; U.S., Congress, House, Committee on Armed Services, *Hearings, Inquiry Into the U.S.S. Pueblo and EC-121 Plane Incidents* [hereafter cited as *Pueblo and EC-121 Hearings*], 91st Cong., 1st sess., 1969, 693-94, 699-700, 703-7, 714, 722, 734, 760, 773-78, 815-16.

[28] SSCI, *Final Report* (fn. 7), I, 61-62; HSCI Draft Report (fn. 4), 82.

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III. The Elusiveness of Solutions

If they do not atrophy, most solutions proposed to obviate intelligence dysfunctions have two edges: in reducing one vulnerability, they increase another. After the seizure of the *Pueblo*, the Defense Intelligence Agency (DIA) was reprimanded for misplacing a message that could have prevented the incident. The colonel responsible developed a careful microfilming operation in the message center to ensure a record of transmittal of cables to authorities in the Pentagon. Implementing this check, however, created a three-to-four hour delay—another potential source of failure—in getting cables to desk analysts whose job was to keep reporting current.[29] Thus, procedural solutions often constitute two steps forward and one step back; organizational fixes cannot transcend the basic barriers. The lessons of Pearl Harbor led to the establishment of a Watch Committee and National Indications Center in Washington. Although this solution eliminated a barrier in the communication system, it did not prevent the failure of timely alert to the Chinese intervention in Korea or the 1973 October War, because it did not eliminate the ambiguity barrier. (Since then, the Watch Committee has been replaced by the DCI's Strategic Warning Staff.) DIA was reorganized four times within its first ten years; yet it continued to leave most observers dissatisfied. The Agranat Commission's review of Israel's 1973 intelligence failure produced proposals for institutional reform that are striking because they amount to copying the American system of the same time—which had failed in exactly the same way as the Israeli system.[30] Reform is not hopeless, but hopes placed in solutions most often proposed—such as the following—should be circumscribed.

1. *Assume the worst.* A common reaction to traumatic surprise is the recommendation to cope with ambiguity and ambivalence by acting on the most threatening possible interpretations. If there is *any* evidence of threat, assume it is valid, even if the *apparent* weight of contrary indicators is greater. In retrospect, when the point of reference is an

[29] McGarvey (fn. 26), 16.

[30] Shlaim (fn. 2), 375-77. The proposals follow, with their U.S. analogues noted in parentheses: appoint a special intelligence adviser to the Prime Minister (Director of Central Intelligence) to supplement the military chief of intelligence; reinforce the Foreign Ministry's research department (Bureau of Intelligence and Research); more autonomy for non-military intelligence (CIA); amend rules for transmitting raw intelligence to research agencies, the Defense Minister, and the Prime Minister (routing of signals intelligence from the National Security Agency); restructure military intelligence (creation of DIA in 1961); establish a central evaluation unit (Office of National Estimates). On the U.S. intelligence failure in 1973, see the HSCI Draft Report (fn. 4), 78-79.

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actual disaster attributable to a mistaken calculation of probabilities, this response is always justifiable, but it is impractical as a guide to standard procedure. Operationalizing worst-case analysis requires extraordinary expense; it risks being counterproductive if it is effective (by provoking enemy countermeasures or pre-emption), and it is likely to be ineffective because routinization will discredit it. Many Israeli observers deduced from the 1973 surprise that defense planning could only rest on the assumption that no attack warning will be available, and that precautionary mobilization should always be undertaken even when there is only dubious evidence of impending Arab action.[31] Similarly, American hawks argue that if the Soviets' intentions are uncertain, the only prudent course is to assume they are seeking the capability to win a nuclear war.

In either case, the norm of assuming the worst poses high financial costs. Frequent mobilizations strain the already taut Israeli economy. Moreover, countermobilization can defeat itself. Between 1971 and 1973, the Egyptians three times undertook exercises similar to those that led to the October attack; Israel mobilized in response, and nothing happened. It was the paradox of self-negating prophecy.[32] The Israeli Chief of Staff was sharply criticized for the unnecessary cost.[33] The danger of hypersensitivity appeared in 1977, when General Gur believed Sadat's offer to come to Jerusalem to be a camouflage for an Egyptian attack; he began Israeli maneuvers in the Sinai, which led Egypt to begin maneuvers of its own, heightening the risk of accidental war.[34] To estimate the requirements for deterrence and defense, worst-case assumptions present an open-ended criterion. The procurement of all the hedges possible for nuclear war-fighting—large increments in offensive forces, alert status, hardening of command-control-and-communications, active and passive defenses—would add billions to the U.S. defense budget. Moreover, prudent hedging in policy should be distinguished from net judgment of probabilities in estimates.[35]

Alternatively, precautionary escalation or procurement may act as self-fulfilling prophecies, either through a catalytic spiral of mobiliza-

[31] Shlaim (fn. 2), 379; Handel (fn. 4), 62-63.

[32] *Ibid.*, 55.

[33] Shlaim (fn. 2), 358-59. The Israeli command estimated a higher probability of attack in May 1973 than it did in October. Having been proved wrong in May, Chief of Staff Elazar lost credibility in challenging intelligence officers, complained that he could no longer argue effectively against them, and consequently was unable to influence his colleagues when he was right. Personal communication from Michael Handel, November 15, 1977.

[34] *Washington Post*, November 27, 1977, p. A17.

[35] Raymond Garthoff, "On Estimating and Imputing Intentions," *International Security*, II (Winter 1978), 22.

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tion (à la World War I) or an arms race that heightens tension, or doctrinal hedges that make the prospect of nuclear war more "thinkable." Since evidence for the "action-reaction" hypothesis of U.S. and Soviet nuclear policies is meager, and arms races can sometimes be stabilizing rather than dangerous, the last point is debatable. Still, a large unilateral increase in strategic forces by either the United States or the Soviet Union would, at the least, destroy the possibility of gains desired from SALT. A surprise attack or defeat make the costs of *under*estimates obvious and dramatic; the unnecessary defense costs due to *over*estimates can only be surmised, since the minimum needed for deterrence is uncertain. Worst-case analysis as a standard norm would also exacerbate the "cry wolf" syndrome. *Unambiguous* threat is not an intelligence problem; rather, the challenge lies in the response to fragmentary, contradictory, and dubious indicators. Most such indicators turn out to be false alarms. Analysts who reflexively warn of disaster are soon derided as hysterical. General William Westmoreland recalled that the warnings that had been issued before the 1968 Tet Offensive were ignored. U.S. headquarters in Saigon had each year predicted a winter-spring offensive, "and every year it had come off without any dire results. . . . Was not the new offensive to be more of the same?"[36]

Given the experience of intelligence professionals that most peacetime indicators of suspicious enemy activity lead to nothing, what Colonel who has the watch some night will risk "lighting up the board" in the White House simply on the basis of weak apprehension? How many staffers will risk waking a tired President, especially if they have done so before and found the action to be needless? How many distracting false alarms will an overworked President tolerate before he makes it clear that aides should exercise discretion in bothering him? Even if worst-case analysis is promulgated in principle, it will be compromised in practice. Routinization corrodes sensitivity. Every day that an expected threat does not materialize dulls receptivity to the reality of danger. As Roberta Wohlstetter wrote of pre-Pearl Harbor vigilance, "We are constantly confronted by the paradox of pessimistic realism of phrase coupled with loose optimism in practice."[37] Seeking to cover all contingencies, worst-case analysis loses focus and salience; by providing a theoretical guide for everything, it provides a practical guide for very little.

[36] Westmoreland, *A Soldier Reports* (Garden City, N.Y.: Doubleday 1976), 316. See the postmortem by the President's Foreign Intelligence Advisory Board, quoted in Herbert Y. Schandler, *The Unmaking of a President* (Princeton: Princeton University Press 1977), 70, 76, 79-80.

[37] Wohlstetter (fn. 4), 69.

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2. *Multiple advocacy.* Blunders are often attributed to decision makers' inattention to unpopular viewpoints or to a lack of access to higher levels of authority by dissident analysts. To reduce the chances of such mistakes, Alexander George proposes institutionalizing a balanced, open, and managed process of debate, so that no relevant assessments will be submerged by unchallenged premises or the bureaucratic strength of opposing officials.[38] The goal is unobjectionable, and formalized multiple advocacy certainly would help, not hinder. But confidence that it will help systematically and substantially should be tentative. In a loose sense, there has usually been multiple advocacy in the U.S. policy process, but it has not prevented mistakes in deliberation or decision. Lyndon Johnson did not decide for limited bombing and gradual troop commitment in Vietnam in 1965 because he was not presented with extensive and vigorous counterarguments. He considered seriously (indeed solicited) Under Secretary of State George Ball's analysis, which drew on NIE's and lower-level officials' pessimistic assessments that any escalation would be a mistake. Johnson was also well aware of the arguments by DCI John McCone and the Air Force from the other extreme—that massive escalation in the air war was necessary because gradualism would be ineffective.[39] The President simply chose to accept the views of the middle-of-the-road opponents of *both* Ball and McCone.

To the extent that multiple advocacy works, and succeeds in maximizing the number of views promulgated and in supporting the argumentive resources of all contending analysts, it may simply highlight ambiguity rather than resolve it. In George's ideal situation, the process would winnow out unsubstantiated premises and assumptions about ends-means linkages. But in the context of data overload, uncertainty, and time constraints, multiple advocacy may in effect give all of the various viewpoints an aura of empirical respectability and allow a leader to choose whichever accords with his predisposition.[40] The

[38] George, "The Case for Multiple Advocacy in Making Foreign Policy," *American Political Science Review*, Vol. 66 (September 1972). My usage of the term multiple advocacy is looser than George's.

[39] Henry F. Graff, *The Tuesday Cabinet* (Englewood Cliffs, N.J.: Prentice-Hall 1970), 68-71; Leslie H. Gelb with Richard K. Betts, *The Irony of Vietnam: The System Worked* (Washington, D.C.: Brookings, forthcoming), chap. 4; Ball memorandum of October 5, 1964, reprinted as "Top Secret: The Prophecy the President Rejected," *Atlantic Monthly*, Vol. 230 (July 1972); McCone, memorandum of April 2, 1965, in LBJL/NSF-VNCF, Troop Decision folder, item 14b.

[40] Betts (fn. 5), 199-202; Schandler (fn. 36), 177. George (fn. 38), 759, stipulates that multiple advocacy requires "no major maldistribution" of power, influence, competence, information, analytic resources, and bargaining skills. But, except for resources and the right to representation, the foregoing are subjective factors that can rarely be equalized by design. If they are equalized, in the context of imperfect data and time

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efficacy of multiple advocacy (which is greatest under conditions of manageable data and low ambiguity) may vary inversely with the potential for intelligence failure (which is greatest under conditions of confusing data and high uncertainty). The process could, of course, bring to the surface ambiguities where false certainty had prevailed; in these cases, it would be as valuable as George believes. But if multiple advocacy increases ambivalence and leaders do *not* indulge their instincts, it risks promoting conservatism or paralysis. Dean Acheson saw danger in presidential indecisiveness aggravated by debate: " 'I know your theory,' he grumbled to Neustadt. 'You think Presidents should be warned. You're wrong. Presidents should be given confidence.' "[41] Even Clausewitz argued that deference to intelligence can frustrate bold initiative and squander crucial opportunities. Critics charged Henry Kissinger with crippling U.S. intelligence by refusing to keep analysts informed of his intimate conversations with foreign leaders.[42] To do so, however, would have created the possibility of leaks and might thereby have crippled his diplomatic maneuvers. It is doubtful that Nixon's initiative to China could have survived prior debate, dissent, and analysis by the bureaucracy.

It is unclear that managed multiple advocacy would yield markedly greater benefits than the redundancy and competitiveness that have long existed. (At best it would perfect the "market" of ideas in the manner that John Stuart Mill believed made liberalism conducive to the emergence of truth.) The first major reorganization of the American intelligence community in 1946–1947 emphasized centralization in order to avert future Pearl Harbors caused by fragmentation of authority; the latest reorganization (Carter's 1977 extension of authority of the Director of Central Intelligence over military intelligence programs) emphasized centralization to improve efficiency and coherence. Yet decentralization has always persisted in the overlapping division of labor between several separate agencies. Recent theorists of bureaucracy see such duplication as beneficial because competition exposes disagreement and presents policy makers with a wider range of views. Redundancy inhibits consensus, impedes the herd instinct in the decision process, and

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pressure, erroneous arguments as well as accurate ones will be reinforced. Non-expert principals have difficulty arbitrating intellectually between experts who disagree.

[41] Quoted in Steinbruner (fn. 22), 332.

[42] Clausewitz (fn. 21), 117-18; HSCI, *Hearings* (fn. 4), 634-36; William J. Barnds, "Intelligence and Policymaking in an Institutional Context," in U.S., Commission on the Organization of the Government for the Conduct of Foreign Policy [hereafter cited as Murphy Commission], *Appendices* (Washington, D.C.: G.P.O., June 1975), Vol. VII, 32.

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thus reduces the likelihood of failure due to unchallenged premises or cognitive errors. To ensure that redundancy works in this way, critics oppose a process that yields coordinated estimates—negotiated to the least common denominator, and cleared by all agencies before they are passed to the principals. George's "custodian" of multiple advocacy could ensure that this does not happen. There are, of course, trade-off costs for redundancy. Maximization of competition limits specialization. In explaining the failure of intelligence to predict the 1974 coup in Portugal, William Hyland pointed out, "if each of the major analytical components stretch their resources over the same range, there is the risk that areas of less priority will be superficially covered."[43]

The problem with arguing that the principals themselves should scrutinize numerous contrasting estimates in their integrity is that they are constantly overwhelmed by administrative responsibilities and "action items"; they lack the time to read, ponder, and digest that large an amount of material. Most intelligence products, even NIE's, are never read by policy makers; at best, they are used by second-level staffers as background material for briefing their seniors.[44] Consumers want previously coordinated analyses in order to save time and effort. In this respect, the practical imperatives of day-to-day decision contradict the theoretical logic of ideal intelligence.

3. *Consolidation.* According to the logic of estimative redundancy, more analysis is better than less. Along this line of reasoning, Senate investigators noted critically that, as of fiscal year 1975, the U.S. intelligence community still allocated 72 percent of its budget for collection of information, 19 percent for processing technical data, and less than 9 percent for production of finished analyses. On the other hand, according to the logic of those who focus on the time constraints of leaders and the confusion that results from innumerable publications, quantity counteracts quality. The size of the CIA's intelligence directorate and the complexity of the production process "precluded close association between policymakers and analysts, between the intelligence product and policy informed by intelligence analysis."[45] For the sake of clarity and acuity, the intelligence bureaucracy should be streamlined.

[43] HSCI, *Hearings* (fn. 4), 778.

[44] SSCI, *Final Report* (fn. 7), IV, 57; Roger Hilsman, *Strategic Intelligence and National Decisions* (Glencoe, Ill.: Free Press 1956), 40. During brief service as just a low-level staff member of the National Security Council, even I never had time to read all the intelligence analyses relevant to my work.

[45] SSCI, *Final Report* (fn. 7), I, 344, and IV, 95 (emphasis deleted).

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This view is consistent with the development of the Office of National Estimates (ONE), which was established in 1950 and designed to coordinate the contributions of the various organs in the intelligence community for the Director of Central Intelligence. DCI Walter Bedell Smith envisioned an operation of about a thousand people. But William L. Langer, the scholar Smith imported to organize ONE, wanted a tight group of excellent analysts and a personnel ceiling of fifty. Langer prevailed, and though the number of staff members in ONE crept upwards, it probably never exceeded a hundred in its two decades of existence.[46] Yet ONE could not eliminate the complexity of the intelligence process; it could only coordinate and integrate it for the production of National Intelligence Estimates. Other sources found conduits to decision makers (to Cabinet members through their own agencies, or to the President through the National Security Council). And some policy makers, though they might dislike the cacophony of multiple intelligence agencies, were suspicious of the consolidated NIE's, knowing that there was pressure to compromise views in order to gain agreement. Over time, the dynamics of bureaucracy also blunted the original objectives of ONE's founder. From a cosmopolitan elite corps, it evolved into an insular unit of senior careerists from the CIA. The National Intelligence Officer system that replaced ONE reduced the number of personnel responsible for coordinating NIE's, but has been criticized on other grounds such as greater vulnerability to departmental pressures. Bureaucratic realities have frustrated other attempts to consolidate the intelligence structure. The Defense Intelligence Agency was created in 1961 to unify Pentagon intelligence and reduce duplicative activities of the three service intelligence agencies, but these agencies regenerated themselves; in less than a decade they were larger than they had been before DIA's inception.[47]

The numerous attempts to simplify the organization of the analytic process thus have not solved the major problems. Either the streamlining exercises were short-lived, and bureaucratization crept back, or the changes had to be moderated to avoid the new dangers they entailed. Contraction is inconsistent with the desire to minimize failure by "plugging holes" in intelligence, since compensating for an inadequacy usually requires *adding* personnel and mechanisms; pruning the structure that contributes to procedural sluggishness or complexity may create lacunae in substantive coverage.

[46] Ray S. Cline, *Secrets, Spies, and Scholars* (Washington, D.C.: Acropolis 1976), 20.

[47] Gilbert W. Fitzhugh and others, *Report to the President and the Secretary of Defense on the Department of Defense, By the Blue Ribbon Defense Panel* (Washington, D.C.: G.P.O., July 1970), 45-46.

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4. *Devil's advocacy*. Multiple advocacy ensures that all views held by individuals within the analytic system will be granted serious attention. Some views that should receive attention, however, may not be held by anyone within the system. Virtually no analysts in Israel or the United States believed the Arabs would be "foolish" enough to attack in 1973. Many observers have recommended institutionalizing dissent by assigning to someone the job of articulating apparently ridiculous interpretations to ensure that they are forced into consideration. Establishing an official devil's advocate would probably do no harm (although some argue that it may perversely facilitate consensus-building by domesticating true dissenters or providing the illusory comfort that all views have been carefully examined;[48] worse, it might delude decision makers into believing that *uncertainties* have been resolved). But in any case, the role is likely to atrophy into a superfluous or artificial ritual. By the definition of the job, the devil's advocate is likely to be dismissed by decision makers as a sophist who only makes an argument because he is supposed to, not because of its real merits. Institutionalizing devil's advocacy is likely to be perceived in practice as institutionalizing the "cry wolf" problem; "There are limits to the utility of a 'devil's advocate' who is not a true devil."[49] He becomes someone to be indulged and disregarded. Given its rather sterile definition, the role is not likely to be filled by a prestigious official (who will prefer more "genuine" responsibility); it will therefore be easier for policy makers to dismiss the arguments. In order to avert intelligence failures, an analyst is needed who tells decision makers what they don't want to hear, dampening the penchant for wishful thinking. But since it is the job of the devil's advocate to do this habitually, and since he is most often wrong (as would be inevitable, since otherwise the conventional wisdom would eventually change), he digs his own grave. If the role is routinized and thus ritualized, it loses impact; but if it is not routinized, there can be no assurance that it will be operating when it is needed.

Despite the last point, which is more important in attack warning than in operational evaluation or defense planning, there is a compromise that offers more realistic benefits: *ad hoc* utilization of "real devils." This selective or biased form of multiple advocacy may be achieved by periodically giving a platform within the intelligence process to minority views that can be argued more persuasively by prestigious analysts outside the bureaucracy. This is what the President's Foreign Intelli-

[48] Alexander George, "The Devil's Advocate: Uses and Limitations," Murphy Commission, *Appendices* (fn. 42), II, 84-85; Jervis, *Perception and Misperception* (fn. 22), 417.

[49] *Ibid.*, 416.

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gence Advisory Board and DCI George Bush did in 1976 by commissioning the "Team B" critique of NIE's on Soviet strategic objectives and capabilities. Dissenters within the intelligence community who were skeptical of Soviet intentions were reinforced by a panel of sympathetic scholars, with a mandate to produce an analysis of their own.[50] This controversial exercise, even if it erred in many of its own ways (as dovish critics contend), had a major impact in promoting the re-examination of premises and methodology in U.S. strategic estimates. The problem with this option is that it depends on the political biases of the authorities who commission it. If it were balanced by a comparable "Team C" of analysts at the opposite extreme (more optimistic about Soviet intentions than the intelligence community consensus), the exercise would approach regular multiple advocacy, with the attendant limitations of that solution. Another variant would be intermittent designation of devil's advocates in periods of crisis, when the possibility of disaster is greater than usual. Since the role would then be fresh each time, rather than ritualized, the advocate might receive a more serious hearing. The problem here is that receptivity of decision makers to information that contradicts preconceptions varies inversely with their personal commitments, and commitments grow as crisis progresses.[51]

5. *Sanctions and incentives.* Some critics attribute intelligence failures to dishonest reporting or the intellectual mediocrity of analysts. Suggested remedies include threats of punishment for the former, and inducements to attract talent to replace the latter. Other critics emphasize that, will or ability aside, analytic integrity is often submerged by the policy makers' demands for intelligence that suits them; "the NIEs ought to be responsive to the evidence, not the policymaker."[52] Holders of this point of view would institutionalize the analysts' autonomy. Unobjectionable in principle (though if analysts are totally unresponsive to the consumer, he will ignore them), these implications cannot easily be operationalized without creating as many problems as they solve.

Self-serving operational evaluations from military sources, such as optimistic reports on progress in the field in Vietnam or pessimistic strategic estimates, might indeed be obviated if analysts in DIA, the service intelligence agencies, and command staffs were credibly threat-

[50] U.S., Congress, Senate, Select Committee on Intelligence, *Report, The National Intelligence Estimates A-B Team Episode Concerning Soviet Capability and Objectives*, 95th Cong., 2d sess., 1978; *New York Times*, December 26, 1976, pp. 1, 14; *Washington Post*, January 2, 1977, pp. A1, A4.

[51] George H. Poteat, "The Intelligence Gap: Hypotheses on the Process of Surprise," *International Studies Notes*, III (Fall 1976), 15.

[52] Cline (fn. 46), 140.

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ened with sanctions (firing, nonpromotion, reprimand, or disgrace). Such threats theoretically could be a countervailing pressure to the career incentives analysts have to promote the interests of their services. But, except in the most egregious cases, it is difficult to apply such standards without arbitrariness and bias, given the problem of ambiguity; it simply encourages an alternative bias or greater ambivalence. Moreover, military professionals would be in an untenable position, pulled in opposite directions by two sets of authorities. To apply the sanctions, civil authorities would have to violate the most hallowed military canon by having civilian intelligence officials interfere in the chain of command. In view of these dilemmas, it is easier to rely on the limited effectiveness of redundancy or multiple advocacy to counteract biased estimates.

Critics concerned with attracting better talent into the analytic bureaucracy propose to raise salaries and to provide more high-ranking positions (supergrades) to which analysts can aspire. Yet American government salaries are already very high by academic standards. Those who attribute DIA's mediocrity (compared to CIA), to an insufficient allocation of supergrades and a consequent inability to retain equivalent personnel are also mistaken; as of 1975 the difference in the grade structures of DIA and CIA had been negligible.[53] And the fact that CIA analysts cannot rise to a supergrade position (GS-16 to 18) without becoming administrators is not convincing evidence that good analysts are underpaid; GS-15 salaries are higher than the maximum for most tenured professors.

Non-military analysts, or high-ranking soldiers with no promotions to look forward to, have fewer professional crosspressures to contend with than military intelligence officers. But an analyst's autonomy varies inversely with his influence, and hortatory injunctions to be steadfast and intellectually honest cannot ensure that he will be; they cannot transcend political realities or the idiosyncrasies of leaders. Richard Helms notes that "there is no way to insulate the DCI from unpopularity at the hands of Presidents or policymakers if he is making assessments which run counter to administrative policy. That is a built-in hazard of the job. Sensible Presidents understand this. On the other hand they are human too." Integrity untinged by political sensitivity courts professional suicide. If the analyst insists on perpetually

[53] SSCI, *Final Report* (fn. 7), I, 352. A valid criticism is that military personnel systems and promotion standards penalized intelligence officers, thus encouraging competent officers to avoid intelligence assignments. This situation was rectified in the service intelligence agencies by the early 1970's, but not within DIA. *Ibid.*; Betts (fn. 5), 196-97.

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bearing bad news, he is likely to be beheaded. Helms himself succumbed to policy makers' pressures in compromising estimates of the MIRV capabilities of the Soviet SS-9 missile in 1969, and the prospects for Cambodia in 1970.[54] The same practical psychological constraints are reflected in an incident in which Chief of Naval Operations Elmo Zumwalt, who had already infuriated Nixon and Kissinger several times with his strategic estimates, was determined to present yet another unwelcome analysis; Secretary of Defense Schlesinger dissuaded him with the warning, "To give a briefing like that in the White House these days would be just like shooting yourself in the foot."[55]

6. *Cognitive rehabilitation and methodological consciousness.* The intertwining of analysis and decision and the record of intelligence failures due to mistaken preconceptions and unexamined assumptions suggest the need to reform the intelligence consumers' attitudes, awareness, and modes of perception. If leaders were made self-conscious and self-critical about their own psychologies, they might be less vulnerable to cognitive pathologies. This approach to preventing intelligence failure is the most basic and metaphysical. If policy makers focused on the methodologies of competing intelligence producers, they would be more sensitive to the biases and leaps of faith in the analyses passed to them. "In official fact-finding . . . the problem is not merely to open up a wide range of policy alternatives but to create incentives for persistent criticism of evidentiary value."[56] Improvement would flow from mechanisms that force decision makers to make explicit rather than unconscious choices, to exercise judgment rather than engage in automatic perception, and to enhance their awareness of their own preconceptions.[57]

Unlike organizational structure, however, cognition cannot be altered by legislation. Intelligence consumers are political men who have risen by being more decisive than reflective, more aggressive than introspective, and confident as much as cautious. Few busy activists who have achieved success by thinking the way that they do will change their way of thinking because some theorist tells them to. Even if they could be forced to confront scholarly evidence of the dynamics of misperception, it is uncertain that they could consistently internalize it. Preconception cannot be abolished; it is in one sense just another word for "model" or

[54] SSCI, *Final Report* (fn. 7), I, 77-82. See also U.S., Congress, Senate, Committee on Foreign Relations, *Hearings, National Security Act Amendment*, 92d Cong., 2d sess., 1972, 14-24.

[55] Zumwalt, *On Watch* (New York: Quadrangle 1976), 459.

[56] Wilensky (fn. 11), 164.

[57] Jervis, *Perception and Misperception* (fn. 22), 181-87.

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"paradigm"—a construct used to simplify reality, which any thinker needs in order to cope with complexity. There is a grain of truth in the otherwise pernicious maxim that an open mind is an empty mind. Moreover, the line between *perception* and *judgment* is very thin, and consumers cannot carefully scrutinize, compare, and evaluate the methodologies of competing analyses, for the same prosaic reason (the problem of expertise aside) that impedes many proposed reforms: they do not have the *time* to do so. Solutions that require principals to invest more attention than they already do are conceptually valid but operationally weak. Ideally, perhaps, each principal should have a Special Assistant for Rigor Enforcement.

Although most notable intelligence failures occur more often at the consuming than the producing end, it is impractical to place the burden for correcting those faults on the consumers. The most realistic strategy for improvement would be to have intelligence professionals anticipate the cognitive barriers to decision makers' utilization of their products. Ideally, the Director of Central Intelligence should have a theoretical temperament and personal skills in forcing unusual analyses to the attention of principals; he might act as George's "custodian" of the argumentation process. To fulfill this function, the DCI should be not only a professional analyst and an intellectual (of the twelve DCI's since 1946, only James Schlesinger met those criteria, and he served for only three months), but also a skilled bureaucratic politician. These qualifications seldom coincide. The DCI's coordinating staff and National Intelligence Officers should be adept at detecting, making explicit, and exposing to consumers the idiosyncracies in the assessments of various agencies—the *reasons* that the focus and conclusions of the State Department's Bureau of Intelligence and Research differ from those of DIA, or of naval intelligence, or of the CIA. For such a procedure to work, the consumers would have to favor it (as opposed to negotiated consensual estimates that would save them more time). There is always a latent tension between what facilitates timely decision and what promotes thoroughness and accuracy in assessment. The fact that there is no guaranteed prophylaxis against intelligence failures, however, does not negate the value of incremental improvements. The key is to see the problem of reform as one of modest refinements rather than as a systematic breakthrough.

IV. Living with Fatalism

Organizational solutions to intelligence failure are hampered by three basic problems: most procedural reforms that address specific

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pathologies introduce or accent other pathologies; changes in analytic processes can never fully transcend the constraints of ambiguity and ambivalence; and more rationalized information systems cannot fully compensate for the predispositions, perceptual idiosyncrasies, and time constraints of political consumers. Solutions that address the psychology and analytic style of decision makers are limited by the difficulty of changing human thought processes and day-to-day habits of judgment by normative injunction. Most theorists have thus resigned themselves to the hope of marginal progress, "to improve the 'batting average'—say from .275 to .301—rather than to do away altogether with surprise."[58]

There is some convergence in the implications of all three ways of conceptualizing intelligence failures. Mistakes should be expected because the *paradoxes* are not resolvable; minor improvements are possible by reorganizing to correct *pathologies*; and despair is unwarranted because, seen *in perspective*, the record could be worse. Marginal improvements have, in fact, been steadily instituted since World War II. Although many have indeed raised new problems, most have yielded a net increase in the rationalization of the system. The diversification of sources of estimates of adversaries' military power has grown consistently, obviating the necessity to rely exclusively on military staffs. The resources and influence of civilian analysts of military data (principally in the CIA's Office of Strategic Research but also in its Directorate of Science and Technology) are unparalleled in any other nation's intelligence system. At the same time, the DCI's mechanism for coordinating the activities of all agencies—the Intelligence Community Staff—has grown and become more diverse and representative, and less an extension of the CIA, as more staffers have been added from the outside. In 1972, a separate Product Review Division was established within the staff to appraise the "objectivity, balance, and responsiveness" of intelligence studies on a regular basis. It has conducted postmortems of intelligence failures since then (the Yom Kippur War, the Cyprus crisis of 1974, the Indian nuclear test, and the seizure of the *Mayaguez*).[59] (Previously, postmortems had been conducted by the analysts who had failed, a procedure that hardly guaranteed objectivity.)

[58] Knorr (fn. 1), 460.

[59] SSCI, *Final Report* (fn. 7), I, 276, and IV, 85; U.S., Congress, House, Committee on Appropriations, *Hearings, Supplemental Appropriations for Fiscal Year 1977*, 95th Cong., 2d sess., 1977, 515-621; *Washington Post*, February 15, 1977, p. A6; Paul W. Blackstock, "The Intelligence Community Under the Nixon Administration," *Armed Forces and Society*, 1 (February 1975), 238.

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Within the Pentagon, capabilities for estimates relevant to planning were enhanced with the establishment of an office for Net Assessment, which analyzes the significance of foreign capabilities in comparison with U.S. forces. (CIA, DIA, and NIE's only estimate foreign capabilities.) Civilian direction of military intelligence was reinforced by an Assistant Secretary of Defense for Intelligence after the 1970 recommendation of the Fitzhugh Commission, and an Under Secretary for Policy in 1978. Experiments in improving communication between producers and consumers have been undertaken (such as, for example, the testing of a Defense Intelligence Board in late 1976). The dominance of operators within the intelligence community has also waned—especially since the phasing out of paramilitary operations in Southeast Asia and the severe reductions in size and status of CIA's covert action branch that began in 1973. Dysfunctions in the military communications system, which contributed to crises involving intelligence collection missions in the 1960's (the Israeli attack on the U.S.S. *Liberty* and North Korea's seizure of the *Pueblo*) were alleviated (though not cured) by new routing procedures and by instituting an "optimal scanning system" in the Pentagon.[60] Statistical analyses of strategic power have become progressively more rigorous and comprehensive; as staffs outside the executive branch—such as the Congressional Budget Office—have become involved in the process, they have also become more competitive.[61]

Few of the changes in structure and process have generated more costs than benefits. (Some critics believe, however, that the abolition of the Office and Board of National Estimates and their replacement with National Intelligence Officers was a net loss.) But it is difficult to prove that they have significantly reduced the incidence of intelligence failure. In the area of warning, for instance, new sophisticated coordination mechanisms have recently been introduced, and since the institution at the time of the 1974 Cyprus crisis of DCI "alert memoranda"—"brief notices in a form which cannot be overlooked"[62]—no

[60] Joseph C. Goulden, *Truth is the First Casualty* (Chicago: Rand McNally 1969), 101-4; Phil G. Goulding, *Confirm or Deny* (New York: Harper & Row 1970), 130-33, 269; *Pueblo and EC-121 Hearings* (fn. 27), 646-47, 665-73, 743-44, 780-82, 802-3, 865-67, 875, 880, 897-99; *Pueblo and EC-121 Report* (fn. 27), 1654-56, 1662-67; Armbrister (fn. 27), 196ff, 395; U.S., Congress, House, Committee on Armed Services, *Report, Review of Department of Defense Worldwide Communications: Phase I*, 92d Cong., 1st sess., 1971, and *Phase II*, 2d sess., 1972.

[61] See, for example, James Blaker and Andrew Hamilton, *Assessing the NATO/Warsaw Pact Military Balance* (Washington, D.C.: Congressional Budget Office, December 1977).

[62] SSCI, *Final Report* (fn. 7), I, 61; Thomas G. Belden, "Indications, Warning, and Crisis Operations," *International Studies Quarterly*, XXI (March 1977), 192-93.

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major warning failure has occurred. But the period of testing is as yet too brief to demonstrate that these adaptations are more effective than previous procedures. In the area of operational evaluation, it is clear that there was greater consciousness of the limitations and cost-ineffectiveness of aerial bombardment during the Vietnam War than there had been in Korea, due largely to the assessments made by the offices of Systems Analysis and International Security Affairs in the Pentagon and Secretary of Defense McNamara's utilization of CIA estimates and contract studies by external analytic organizations.[63] Yet this greater consciousness did not prevail until late in the war because it was not a consensus; Air Force and naval assessments of bombing effectiveness contradicted those of the critical civilian analysts. Nor has the elaboration and diversification of analytic resources for strategic estimates clearly reduced the potential for erroneous planning decisions. Determination of the salience and proper weight of conflicting indicators of strategic power and objectives or of the comparative significance of quantitative and qualitative factors is inextricable from the political debate over foreign policy: uncertainties always remain, leaving the individual's visceral fears or hopes as the elements that tilt the balance of judgment.

Although marginal reforms may reduce the probability of error, the unresolvable paradoxes and barriers to analytic and decisional accuracy will make some incidence of failure inevitable. Concern with intelligence failure then coincides with concern about how policy can hedge against the consequences of analytic inadequacy. Covering every hypothetical vulnerability would lead to bankruptcy, and hedging against one threat may aggravate a different one. The problem is thus one of priorities, and hedging against uncertainty is hardly easier than resolving it. Any measures that clarify the cost-benefit trade-offs in policy hedges are measures that mitigate the danger of intelligence failure.

[63] *Pentagon Papers*, IV, 111-12, 115-24, 217-32. CIA critiques of bombing results began even before the Tonkin Gulf crisis. CIA/OCI, Current Intelligence Memorandum, "Effectiveness of T-28 Strikes in Laos," June 26, 1964; CIA/DDI, Intelligence Memorandum, "Communist Reaction to Barrel Roll Missions," December 29, 1964. But ambivalence remained even within the CIA, which occasionally issued more sanguine evaluations—e.g., CIA Memorandum for National Security Council, "The Situation in Vietnam," June 28, 1965 (which McGeorge Bundy called directly to the President's attention), and CIA/OCI, Intelligence Memorandum, "Interdiction of Communist Infiltration Routes in Vietnam," June 24, 1965. (All memoranda are in LBJL/NSF-VNCF, Vol. I, item 5, Vol. III, items 28, 28a, 28b, Vol. VI A, items 4, 5, 8.) See also *Pentagon Papers*, IV, 71-74. See also the opposing assessments of the CIA, the civilian analysts in the Pentagon, and the Joint Chiefs in NSSM-1 (the Nixon Administration's initial review of Vietnam policy), reprinted in the *Congressional Record*, Vol. 118, part 13, 92d Cong., 2d sess., May 10, 1972, pp. 16749-836.

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One reasonable rule in principle would be to survey the hypothetical outcomes excluded by strategic premises as improbable but not impossible, identify those that would be disastrous if they *were* to occur, and then pay the price to hedge against them. This is no more practicable, however, than the pure form of worst-case analysis, because it requires willingness to bear and inflict severe costs for dubious reasons. Escalation in Vietnam, after all, was a hedge against allowing China to be tempted to "devour" the rest of Southeast Asia. The interaction of analytic uncertainty and decisional prudence is a vicious circle that makes the segregation of empirical intelligence and normative policy an unattainable Platonic ideal.

In the simplest situation, the intelligence system can avert policy failure by presenting relevant and undisputed facts to non-expert principals who might otherwise make decisions in ignorance. But these simple situations are not those in which major intelligence failures occur. Failures occur when ambiguity aggravates ambivalence. In these more important situations—Acheson and Clausewitz to the contrary—the intelligence officer may perform most usefully by *not* offering the *answers* sought by authorities, but by offering *questions*, acting as a Socratic agnostic, nagging decision makers into awareness of the full range of uncertainty, and making the authorities' calculations harder rather than easier. Sensitive leaders will reluctantly accept and appreciate this function. Most leaders will not; they will make mistakes, and will continue to bear the prime responsibility for "intelligence" failures. Two general values (which sound wistful in the context of the preceding fatalism) remain to guide the choice of marginal reforms: anything that facilitates dissent and access to authorities by intelligence producers, and anything that facilitates skepticism and scrutiny by consumers. The values are synergistically linked; one will not improve the use of intelligence without the other. (A third value, but one nearly impossible to achieve, would be anything that increases the time available to principals for reading and reflection.)

Intelligence failures are not only inevitable, they are natural. Some are even benign (if a success would not have changed policy). Scholars cannot legitimately view intelligence mistakes as bizarre, because they are no more common and no less excusable than academic errors. They are less forgivable only because they are more consequential. Error in scholarship is resolved dialectically, as deceptive data are exposed and regnant theories are challenged, refined, and replaced by new research. If decision makers had but world enough and time, they could rely on this process to solve their intelligence problems. But the press

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of events precludes the luxury of letting theories sort themselves out over a period of years, as in academia. My survey of the intractability of the inadequacy of intelligence, and its inseparability from mistakes in decision, suggests one final conclusion that is perhaps most outrageously fatalistic of all: tolerance for disaster.

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EXIT, VOICE, AND THE STATE

By ALBERT O. HIRSCHMAN*

THERE are two main types of activist reactions to discontent with organizations to which one belongs or with which one does business: either to *voice* one's complaints, while continuing as a member or customer, in the hope of improving matters; or to *exit* from the organization, to take one's business elsewhere. *Exit, Voice, and Loyalty*[1] was built on this dichotomy.

One of my main contentions was that economists, with their emphasis on the virtues of competition (i.e., exit), had disregarded the possible contributions of voice just as political scientists, with their interest in political participation and protest, had neglected the possible role of exit in the analysis of political behavior. The book, however, gave more attention to the former point and dealt only briefly with the political scientist's principal object of study: the state.[2] In the present paper, I shall attempt a more extensive survey. The importance of exit in relation to the state is the common theme of the diverse situations, ranging from the stateless societies of tropical Africa to the modern small welfare state, that I will explore.

I. Exit, Rousseau's Savage, and Stateless Societies

Does the exit-voice model have something useful to contribute to the analysis of the state? It does, in the opinion of Jean-Jacques Rousseau.

* This paper was originally written for a symposium held in June 1977 at the University of Uppsala, Sweden, on the occasion of the 500-year jubilee of the foundation of the University. It is reproduced here with some changes. The author is grateful to Ulf Himmelstrand who organized the Uppsala symposium, and to Karen Blu and Clifford Geertz for discussion and critical comments.

[1] Hirschman, *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States* (Cambridge: Harvard University Press 1970).

[2] Primarily in connection with the issue of resignation of officials who are in disagreement with public policies (see chaps. 7 and 8). I have touched on emigration in relation to the state in two subsequent papers: "Exit, Voice, and Loyalty: Further Reflections and a Survey of Recent Contributions," *Social Science Information*, XIII (February 1974), 7-26, and "Political Economy: Some Uses of the Exit-Voice Approach—Discussion," *American Economic Review, Papers and Proceedings*, Vol. 66 (May 1976), 386-89. Secessionist movements are brought into the exit-voice framework by Stein Rokkan, "Dimensions of State Formation and Nation-Building: A Possible Paradigm for Research on Variations within Europe," in Charles Tilly, ed., *The Formation of National States in Western Europe* (Princeton: Princeton University Press 1975), 562-600, and by Samuel E. Finer, "State-Building, State Boundaries and Border Control: An Essay on Certain Aspects of the First Phase of State-Building in Western Europe, Considered in the Light of the Rokkan-Hirschman Model," *Social Science Information*, XIII (August-October 1974), 79-126.

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In the *Discourse on the Origin and the Foundations of Inequality among Men* he wrote:

> When the savage has had his dinner he is at peace with all of Nature and friends with everyone around him. What if a dispute arises about the meal? In that case, he will never become involved in a real fight without having first compared the difficulty of winning with *that of finding elsewhere the means of subsistence*; and since considerations of pride are of no consequence the fight is rapidly settled by the exchange of some fisticuffs: the winner eats, the loser *goes to look for better luck elsewhere* (*va chercher fortune*) and everything is at peace again; but with man in society things are altogether different. . . .[3]

Rousseau allowed here for a strictly limited amount of nonverbal voice —"some fisticuffs" in the unusual case in which there is a fight at all— and exit was for him the principal way in which the "savage" manifests nonconformity with other members of his group. This way of dealing with dissent has the virtue of minimizing conflict; it also is likely to keep any one group quite small. For exit to function in this beneficial manner, Rousseau's principal condition is the absence of "pride"— elsewhere he called it *amour propre* and contrasted it with the commendable *amour de soi* which is concerned with the satisfaction of basic physiological needs. The question whether the "savage" would be able to fill these needs after having exited from a group was taken up by Rousseau in his *Essay on the Origin of Languages* and, consistently enough, received a resoundingly affirmative answer.

> . . . the origin of languages is not due to the first needs of men; it would be absurd to hold that from the *cause that separates men* there should derive the instrument that unites them. Where, then, does language originate? In the moral needs, in the passions. Passions bring men closer together *while the need to stay alive obliges them to flee from each other*.[4]

Most readers of the *Essay* are of course interested in Rousseau's remarkable theory of language which is brought underway with these vigorous sentences. I choose to emphasize here his view that breaking away from a group is not necessarily a bar to survival, so that exit becomes a feasible option in case of conflict. It is well to remember that the *Essay* was originally part of the *Discourse*;[5] the two quoted passages are different aspects of the same thought. Jointly they constitute a theory of a small, stateless society in which the availability of exit

[3] Rousseau, *Oeuvres complètes* (Paris: NRF, Pléiade 1966), III, 203; emphasis added.
[4] See Rousseau, *Essai sur l'origine des langues* . . . , edition, introduction, and notes by Charles Porset (Bordeaux: Ducros 1970), chap. II, 43; emphasis added.
[5] *Ibid.*, 11 (introduction by Porset).

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has the dual function of defusing conflict and of assuring a continuous process of fission—and thereby the continuation of the condition of statelessness.

Observation of certain so-called primitive societies in recent decades has turned up a number of situations that correspond to Rousseau's model. Writing in 1944, Claude Lévi-Strauss gives the following account of political life among the Nambikuara of Central Brazil:

> No social structure is weaker and more fragile than the Nambikuara band. If the chief's authority appears too exacting, if he keeps too many women for himself, or if he does not satisfactorily solve the food problem in times of scarcity, discontent will very likely appear. Then, individuals, or families, will separate from the group and join another band believed to be better managed. . . . Therefore, Nambikuara social structure appears continuously on the move. The bands take shape, they disorganize, they increase and they vanish. Within a few months, sometimes, their composition, number and distribution cannot be recognized.[6]

A similar pattern of social and political behavior, also from Central Brazil, is reported by Joan Bamberger about a tribe called Kayapó:

> Should traditional leadership fail to re-establish harmony after a dispute has broken out, the contestants and sometimes their supporters, which in the most dramatic instance includes the entire community, may engage in physical combat. Fighting of this kind is institutionalized among the Kayapó in the formal duel, known as *aben tak* ("hitting together"). . . . whoever loses an *aben tak*, whether it is a two-person fight or a community brawl, must leave the village. The Kayapó say that the vanquished depart because they have too much "shame" (*piaam*) to remain in the same village with those people with whom they have fought. . . .[7]

The similarity to Rousseau's fisticuffs scenario is remarkable, even though the Kayapó seem to be afflicted with more than a trace of pride and *amour propre*. The disaffected Kayapó also resemble Rousseau's savage in that they simply exit without necessarily *entering* or joining some other group that seems to them to be better managed (as is the case for the group described by Lévi-Strauss); a breakaway group is here apparently willing and able to go it alone.

On turning from America to Africa, one meets with many more illus-

[6] Lévi-Strauss, "The Social and Psychological Aspects of Chieftainship in a Primitive Tribe: The Nambikuara of Northwestern Mato Grosso" (1944), reprinted in Ronald Cohen and John Middleton, eds., *Comparative Political Systems: Studies in the Politics of Pre-Industrial Societies* (Garden City, N.Y.: Natural History Press 1967), 53-54.

[7] Bamberger, "*Exit* and *Voice* in Central Brazil: On the Politics of Flight in Kayapó Society," in David Maybury-Lewis, ed., *Dialectical Societies* (Cambridge: Harvard University Press, forthcoming).

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trations of the phenomenon of fissiparous politics—known to the anthropological literature under such titles as acephalous or stateless societies, segmentary lineage systems, fission and fusion, and the like. A large part of that literature deals with what in modern politics is known as "secession" rather than as "emigration." In other words, the tendency toward fission frequently takes the form of a group detaching itself from a larger one while staying (or moving about, in the case of nomadic tribes) in the same area as before. The exit concept could, of course, be extended to cover cases of this sort. I shall, however, limit myself here to situations in which physical moving away of individuals or groups is an essential characteristic of the splitting-up process.

Frequent recourse to exit in this sense appears to be an important ingredient of statelessness in a number of African societies. Evans-Pritchard says about the Nuer that "any Nuer may leave his tribe and settle in a new tribe of which he thereby becomes a member."[8] In their Introduction to *Tribes Without Rulers*, Middleton and Tait write, "In much of Central Africa, for example, there are politically uncentralized societies in which . . . the main political structure is provided by relations between chiefs and villagers of cognatic kin, related in various ways to a headman and free to choose their village residence where they please."[9] Reporting on Bushman bands in South Africa, Lorna Marshall points out that "the possibility of choice and change of members from one band to another . . . allows for adjustment in the size of the band to the relative scarcity of food and water" and that "a new band can be formed at any time that circumstances permit and people desire to form one." Friction in human relations is one reason for such new band formation.[10]

The most elaborate description of the fission process via geographical separation is in Turnbull's account of Mbuti pygmy bands in the tropical rain forest of Central Africa. Here fissions that have little to do with lineal relationships are frequent occurrences, specially on the occasion when a camp moves.

> Sites are even chosen because they afford greater privacy between the various sections, thus minimizing any serious disputes that are in progress. Some interpersonal hostilities will persist, however, and it is these

[8] Evans-Pritchard, "The Nuer of the Southern Sudan," in M. Fortes and E. E. Evans-Pritchard, eds., *African Political Systems* (London: Oxford University Press 1940), 279.

[9] John Middleton and David Tait, eds., *Tribes Without Rulers: Studies in African Segmentary Systems* (London: Routledge & Kegan Paul 1958), 3. It should be noted that the book does not deal with these societies; it concentrates on those having "segmentary lineage systems," where exit resembles secession rather than emigration.

[10] Marshall, "!Kung Bushman Bands" (1960), reprinted in Cohen and Middleton (fn. 6), 17, 34-35.

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> and not lineal relationships that are reflected in the final fission, when the camp divides into a number of independent camps, or sub-bands, each going its own way. If the dispute is serious, one or another sub-band may go off to another territory, and seek to join up with that band....
>
> So the monthly change of camp is an opportunity not only for a diplomatic rearrangement of the layout, minimizing latent hostilities, but it is also an opportunity for improving the economic strength of the band by either adding to it or subtracting from it.[11]

By bringing together these various situations—which Rousseau hit upon by pure deduction—I hope to have demonstrated that some forms of statelessness are closely associated with the possibility and regular practice of exit. But it is by no means easy to interpret the nature of this association. The fact that my most explicit examples in America and Africa come from bands living in thinly populated tropical rain forests or savannahs suggests that the availability of at least minimally fertile, unoccupied natural resources makes exit permanently attractive and prevents the emergence of any larger political grouping with state-like authority. Such availability, however, is not a sufficient condition for statelessness: within a lord-peasant or lord-laborer context, exactly the same situation has been quite plausibly invoked by Nieboer and others as favoring the introduction of *slavery*.[12] The presence of "open resources" is no doubt important in shaping political forms; but, depending on other system determinants, it can lead either to a highly coercive system or to one that lacks any specialized and permanently constituted political authority. Moreover, these two polar opposites do not exhaust the universe of possibilities: after all, Nieboer's "open resources" are not so far from Turner's "open frontier."[13]

In any event, I do not wish to propound here an ecological theory of stateless societies. What interests me is not so much the fundamental reason for which exit takes place with such regularity as the political effects of institutionalized exit. One of these effects is the non-emergence of large, centralized societies with specialized state organs. Another is the apparent stability of the statelessness-cum-exit condition

[11] Colin M. Turnbull, *Wayward Servants: The Two Worlds of the African Pygmies* (London: Eyre & Spottiswoode 1965), 106. Turnbull attempts to explain this constant "flux and instability" of the Mbuti bands by their antagonistic relationship with the settled villagers who, as a result of this confusion, are unable to assert the lineal and territorial rights they claim over the Mbuti.

[12] H. J. Nieboer, *Slavery as an Industrial System* (The Hague: Nijhoff 1900); Evsey Domar, "The Causes of Slavery or Serfdom: A Hypothesis," *Journal of Economic History*, xxx (March 1970), 18-32.

[13] Nieboer and Frederick Jackson Turner were contemporaries, but were probably unaware that one was speaking of "open resources" as a factor conducive to slavery and the other of the "open frontier" as conditioning American-style democracy.

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over wide areas and through time. Political arrangements that are unstable at the level of individual bands, with their constant fission and fusion, have been remarkably stable—as though frozen in this pattern of instability—when looked at from a slightly more macro point of view. One reason is that the exit pattern of conflict behavior, once set, is very difficult to change except through some outside event such as invasion or exhaustion of the "open resources." Once again, the practice of exit is self-reinforcing. Once this avoidance mechanism for dealing with disputes or venting dissatisfaction is readily available, the contribution of voice—that is of the political process—to such matters is likely to be and to remain limited.[14]

In accounting for stability, one would wish to know something about the feedback effect of exit on the organization that is being left: does the organization take notice of exits by its members and act in consequence in such a manner as to remedy its weaknesses and inefficiencies? Unfortunately, the anthropological studies I have cited do not supply much material in answer to this question. When exit occurs as a result of disputes between the two parties, it probably just produces satisfaction for the one that remains, and a "good riddance" reaction. According to some of the descriptions, however, exit results not only from the push of internal dispute, but also from the pull of "superior management" of other bands. In such a case, the bands that are losing members are more likely to react to the loss by attempting to improve their own performance. In view of the stability of these societies through time, one may perhaps infer that such a stabilizing feedback process must be at work: if exit were always cumulative, with losing bands never being able to recoup their losses, a tendency toward consolidation of the many bands into one would have asserted itself. (Another explanation why this does not occur would be that there is some sort of optimal size for bands with diseconomies of scale setting in if this size is exceeded.)

The exit behavior characteristic of the societies just reviewed, particularly when exit from one band involves entry into another, "better managed" one, is remarkably similar to what has been called "voting with one's feet." Because it resembles the working of the market where a buyer is free to switch from one seller to another, some quarters have celebrated this mechanism as far more "efficient" than the "cumbersome" political process for the redress of people's grievances or the fulfillment of their demands.[15] Unfortunately, because of differences in

[14] This is true even for so elaborate a function as that of the "leopard-skin chief" of the Nuer in mediating disputes. See Evans-Pritchard (fn. 8), 291-95.

[15] Milton Friedman, *Capitalism and Freedom* (Chicago: Chicago University Press

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income and wealth, the ability to vote with one's feet is unequally distributed in modern societies. In the United States, where the problem is compounded because of race discrimination, inequality in access to exit has had some appalling consequences, such as the "ghettoization" and partial ruin of our big cities. It is possible that a more satisfactory approximation of the neo-laissez-faire economist's political dream is found in the societies of the forest people in Central Brazil and Central Africa; in historical perspective, of course, theirs has not been a perfect solution either, since they have turned out to be no match for the perhaps less efficient, but more powerful societies—exitless and endowed with a centralized political organization—that arose elsewhere.

II. Movable Property and Its Exit as a Restraint on the State

The European state system of the 17th and 18th centuries is precisely that sort of society in one of its purest forms. To a considerable extent, the absolutist state arose as a result of a laborious and eventually successful fight for the formation and territorial unification of a geographical unit. Particularly on the European Continent, the state was, as Samuel Finer has remarked, "obsessed by the demon of exit," exit being taken here in the sense of territorial autonomy or secession.[16] It is ironic, then, and was so sensed by some 18th-century observers, that as soon as one form of exit had been brought under control, another raised its head because of the expansion of commerce and finance which was actively promoted by the absolutist state. With this expansion, a new form of wealth assumed increasing importance. It was named *movable* wealth, in contrast with the unmovable form—land and buildings—in which the bulk of assets had traditionally been held. Montesquieu defined it as "money, notes, bills of exchange, stocks of companies, ships, all commodities and merchandise"; he noted that this form of wealth could move about from one country to another.[17]

What was the reaction of the state and of enlightened opinion to the discovery of this new form of wealth and to the possibility of its exit? The fears and hopes aroused by the rise of movable capital in the 17th and 18th centuries offer many interesting parallels with similarly contradictory perceptions caused quite recently by the rise of the multinational corporation.[18] A comparative study cannot be undertaken here,

1962), chap. 6; Charles M. Tiebout, "A Pure Theory of Local Expenditures," *Journal of Political Economy*, Vol. 64 (October 1956), 416-24.

[16] See Finer (fn. 2), 115

[17] Montesquieu, *Esprit des lois*, XX, chap. 23.

[18] See Hirschman, *The Passions and the Interests: Political Arguments for Capitalism*

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but a brief survey of reactions to the earlier phenomenon will perhaps be suggestive.

Initially, there was a lag in the perception of the new form of wealth, and particularly of its possible importance for politics. The case of James Harrington is striking. He is justly famous for his theory relating political forms and stability to the concentration and distribution of property. Nevertheless, at a time when the major mercantilist tracts about trade and bullion were being written, his principal work, *Oceana* (1656), focused exclusively on landed property and its distribution as a determinant of politics. Criticized on this score by some of his contemporaries, he later justified his position by pointing, with an elaborate metaphor drawn from falconry, to the superior ability of "Mony" to take to flight:

> Tho Riches in general have Wings and be apt to bate; yet those in Land are the most hooded, and ty'd to the Perch, whereas those in Mony have the least hold, and are the swiftest of flight. . . . a Bank never paid an Army; or paying an Army soon became no Bank. But where a Prince or a Nobility has an Estate in Land, the Revenue whereof will defray this Charge, there their Men are planted, have Toes that are Roots, and Arms that bring forth what Fruits you please.[19]

Here was an eloquent defense of the model used by Harrington. But the very "flightiness" of money which he stressed for this purpose raised questions about favorable or unfavorable *political* consequences that were to be expected as movable property became a substantial proportion of a country's total wealth.

One century later a debate along such lines was in full swing. It was not ever fully joined: those who looked at the new phenomenon with hope or alarm, respectively, usually dealt with different varieties of movable property. For example, one of the strongest denunciations of the new form of wealth was issued by David Hume as he focused on the public debt. In one of his later "conservative" essays, he predicted that "a grievous despotism must infallibly prevail" were England to allow the public debt to expand indefinitely; he castigated the holders of the debt, the "stockholders . . . who have no connexions with the state, who can enjoy their revenue in any part of the globe in which they chuse to reside. . . ."[20]

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before Its Triumph (Princeton: Princeton University Press 1977), 95, and Part Two, passim.

[19] See "The Prerogative of Popular Government," in James Harrington, *Oceana and Other Works*, ed. John Toland (3d ed.; London: A. Millar 1747), 243.

[20] From essay, "Of Public Credit" in Hume, *Writings on Economics*, ed. E. Rotwein (Madison: University of Wisconsin Press 1970), 98-99. For a number of telling 18th-

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Exit of the "stockholders," or "stockjobbers" as they were also called in a pejorative vein, is here judged as an act of disloyalty and near-betrayal, without any redeeming features. But this passage stands quite alone in Hume's writings; he had only praise for the new forms of mobile wealth generated by trade and industry—as did some of his friends and contemporaries, such as Adam Smith and Montesquieu. Actually, the latter discovered grounds for hailing the newly emerging forms of property, not in spite but *because* of their capacity for self-expatriation. This is a rather unexpected argument that is worth reviewing in some detail.

Always on the lookout for ways in which the overweening power of the sovereign could be checked, Montesquieu saw much promise in the invention and expanding use of the bill of exchange.

> . . . through this means commerce could elude violence, and maintain itself everywhere; for the richest trader had only invisible wealth which could be sent everywhere without leaving any trace. . . .
>
> Since that time, the rulers have been compelled to govern with greater wisdom than they themselves might have intended; for, owing to these events, the great and sudden arbitrary actions of the sovereign (*les grands coups d'autorité*) have been proven to be ineffective and . . . only good government brings prosperity [to the prince].[21]

Thus, the fact that, with the bill of exchange, a large portion of wealth had become mobile and elusive and was capable of both hiding and expatriation is here celebrated as a restraint on the *grands coups d'autorité* of the prince and as a positive contribution to good government.[22]

The new inability of political authority to seize the citizens' wealth at will also struck others as making a fundamental difference to the way in which government was likely to be carried on; the argument was formulated in a general way (that is, not just with regard to the bill of exchange) by Sir James Steuart: As private wealth expands, it "avoids

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century quotes denouncing the new world of stockjobbers and finance, see Isaac Kramnick, *Bolingbroke and His Circle: The Politics of Nostalgia in the Age of Walpole* (Cambridge: Harvard University Press 1968), 47-48, 71-76, 220, 246.

[21] Montesquieu (fn. 17), XXI, chap. 20.

[22] Later in the century, Turgot based very similar hopes on the emigration of *persons*. Commenting on Richard Price's *Observations on the Importance of the American Revolution* he wrote: "The asylum which [the American people] opens to the oppressed of all nations must console the earth. The ease with which it will now be possible to take advantage of this situation, and thus to escape from the consequences of a bad government, will oblige the European Governments to be just and enlightened." (Letter to Price of March 22, 1778, in *Oeuvres*, Paris: Delance 1810, IX, 389.) Turgot here argues about the state losing citizens as though it were a firm impelled by the exit of customers to improve its performance. The actual political effects of emigration on the sending country and their considerable diversity are explored in the next section.

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[the statesman's] grasp when he attempts to seize it. This makes his government more complex and more difficult to be carried on; *he must now avail himself of art and address* as well as of power and authority."[23]

Capital flight—the possible exit of capital (and of the capitalists)—was perceived as a salutary restraint on arbitrary government by both Montesquieu and Sir James Steuart, who put forward several far more sanguine speculations about the likely political effects of economic expansion. Although Adam Smith differed with them in these respects,[24] he went along to the extent of arguing that the mobility and elusiveness of "capital stock" make it impossible for taxation to be as "vexatious" as it might otherwise be:

> There are . . . two different circumstances which render the interest of money a much less proper subject of direct taxation than the rent of land.
>
> First, the quantity and value of the land which any man possesses can never be a secret, and can always be ascertained with great exactness. But the whole amount of the capital stock which he possesses is almost always a secret, and can scarce ever be ascertained with tolerable exactness. . . . An inquisition into every man's private circumstances . . . would be a source of such continual and endless vexation as no people could support.
>
> Secondly, land is a subject which cannot be removed, whereas stock easily may. The proprietor of land is necessarily a citizen of the particular country in which his estate lies. The proprietor of stock is properly a citizen of the world, and is not necessarily attached to any particular country. *He would be apt to abandon the country in which he was exposed to a vexatious inquisition, in order to be assessed to a burdensome tax, and would remove his stock to some other country where he could either carry on his business, or enjoy his fortune more at his ease.* By removing his stock he would put an end to all the industry which it had maintained in the country which he left. Stock cultivates land; stock employs labour. A tax which tended to drive away stock from any particular country, would so far tend to dry up every source of revenue, both to the sovereign and to the society. . . .
>
> The nations, accordingly, who have attempted to tax the revenue arising from stock, instead of any severe inquisition of this kind, have been obliged to content themselves with some very loose . . . estimation.[25]

It would almost seem, then, as though everything were for the best: on the one hand, the dangerous exit in the form of secession had been

[23] Steuart, *Inquiry into the Principles of Political Oeconomy* (1767), I, ed. A. S. Skinner (Chicago: University of Chicago Press 1966), 181; emphasis added.

[24] Hirschman (fn. 18), 100-113.

[25] Smith, *The Wealth of Nations*, Modern Library ed., 800; see also pp. 345 and 858 for related passages; emphasis added.

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more or less successfully exorcised by the power of the 17th- and 18th-century state; on the other, according to the converging testimony of Montesquieu, Sir James Steuart, and Adam Smith, that power was curbed by a new and beneficial variety of exit that surfaced as a result of economic expansion: the ability of capital and capitalists to "remove their stock" or, in modern terms, to "vote with their feet" for the best available "business climate."

It is useful to recall these early perceptions, if only to marvel at the distance by which they are separated from contemporary ones. Today the international mobility of capital is infinitely greater (within the capitalist world) than at the time of Montesquieu and Adam Smith. There are numerous varieties of such mobility: transnational corporations can move subsidiaries from one country, considered unsafe, to another; more threateningly, mobility can take the form of international banks refusing to "roll over" their loans to a country that is considered to be "out of line." Still, the principal weapon is wielded by the country's own citizens—particularly of course by the more opulent ones among them—as they engage in capital flight on a massive scale whenever they feel threatened by domestic developments.

Occasionally these various exits do occur, according to the 18th-century script, in response to the arbitrary and capricious actions of the sovereign. But a much less favorable interpretation may be in order: exit of capital often takes place in countries intending to introduce some taxation that would curb excessive privileges of the rich or some social reforms designed to distribute the fruits of economic growth more equitably. Under these conditions, capital flight and its threat are meant to parry, fight off, and perhaps veto such reforms; whatever the outcome, they are sure to make reform more costly and difficult. It looks, therefore, as though the availability of the kind of exit that was hailed by Montesquieu and Adam Smith were today a serious menace: it damages the capability of capitalism to reform itself.

Actually, this situation does not affect all countries equally. Capital flight is obviously much less of a weapon in the largest and most powerful countries where the owners of capital feel that there is no place else to go. Here it can be expected that voice will be activated by the impossibility of exit. Capitalists will make elaborate attempts to influence public opinion and public policy. An ideology in defense of capitalism will arise. At the same time, concessions are likely to be forthcoming where reforms of the system are obviously needed and are essential to the demonstration that the capitalist system can itself evolve and ameliorate the problems it creates. Purely on the basis of the differential

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availability of exit for capital and capitalists, one might therefore expect that the largest and most central countries of the capitalist system would be, at one and the same time, the ideological bulwarks of the system and its most active problem-solvers; the more peripheral states, on the other hand, might be in the grip of an anticapitalist ideology, and would at the same time exhibit unconscionable extremes of wealth and poverty. This "prediction," based on a most parismonious exit-voice model, is surprisingly correct in a number of respects. The combination of an attitude of "standing up for capitalism" with attempts to remedy the system's worst evils is exemplified by both Victorian England and the United States of the 20th century; in many less developed countries, on the other hand, the absence of any strong ideological support for capitalism coexists rather oddly with extraordinary difficulties faced time and again by attempts at effective reform. Here is perhaps a key to the old puzzle why anticapitalist revolutions have consistently broken out at the periphery rather than at the center of the capitalist system.

Fortunately, the model does not explain everything. In particular, it does not deal satisfactorily with an important group of small countries. A few additional factors must therefore be introduced.

III. Exit as a Threat to the Small Modern State and Some Defensive Strategies

In the 18th century, as has just been noted, the potential exit of capital and of the capitalists was actively discussed in terms of its harmful or beneficial effects on the capital-losing state. This manner of looking at out-migration—so congenial to the exit-voice framework—almost disappeared in the 19th century, which witnessed human migration, mostly from Europe to America, on an unprecedented scale. Only recently have the economic and political effects of out-migration on sending (rather than receiving) states again attracted attention, primarily in conjunction with the so-called brain drain, a phenomenon that has more in common with capital flight than with mass migration.

The enormous out-migration from Europe during the 19th and early 20th centuries did not occasion much reflection about the feedback effect on the sending states and their political system because the outflow did not provoke any visible political problems or dangers. On the contrary—and this also explains why emigration, long prohibited during the mercantilist and absolutist eras, was so freely permitted—it *alleviated* a number of problems, economic as well as political. From

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the social and economic points of view, the outflow dampened the rapid increase in population as well as the concomitant rural-urban migration, and in spite of its massive proportions, emigration never reached the point where it was perceived to interfere with the recruitment of labor for expanding domestic industry. From the point of view of the political managers, out-migration had similar and related beneficial effects. People who chose emigration were obviously dissatisfied in some way with the country and society they were leaving. With exit available as an outlet for the disaffected, they were less likely to resort to voice: the ships carrying the migrants contained many actual or potential anarchists and socialists, reformers and revolutionaries. The inverse relationship between emigration and the socialist vote has been statistically demonstrated for Italy, in a study for the decade preceding World War I.[26] Moreover, new immigrants tend to be, at least initially, relatively unvociferous members of society; mass migration thus reduced social protest in the European-American state system as a whole and not only in the sending countries.

But the containment of social protest was not the only political effect of out-migration. Throughout the 19th century and up to World War I, the right of suffrage and other civil rights were extended in many of the very European states from which large contingents of people were departing. In other words, exit and a certain kind of voice increased hand-in-hand, even though, at the same time, exit lowered the volume of another more militant kind of voice. These two developments may be causally connected: because a number of disaffected people had departed, it became comparatively safe to open up the system to a larger number of those who stayed on. In this manner, exit-emigration may have made it possible for democratization and liberalization to proceed in several European countries prior to World War I without political stability being seriously imperiled.[27]

Besides being intrinsically interesting, these connections could contribute to the understanding of contemporary attempts at democratization. Might it be said, for example, that the large-scale emigration of Greek, Portuguese, and Spanish workers to France and Germany dur-

[26] John S. MacDonald, "Agricultural Organization, Migration and Labour Militancy in Rural Italy," *Economic Historic Review*, 2d series, XVI (1963-1964), 61-75.

[27] I have looked in vain for any speculation along such lines in the notable monographic studies on European migrations to the United States published as *Dislocation and Emigration: The Social Background of American Immigration* in D. Fleming and B. Bailyn, eds., *Perspectives in American History*, VII (Harvard University 1974). Professor Bailyn tells me that in his current work on 17th- and 18th-century emigration to North America considerable attention is being given to the social and political context of emigration in the sending country.

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ing the prosperous 60's and early 70's has made it easier for these countries to negotiate the difficult passage to a more democratic order than would have been the case otherwise?

In part, this topic has not received attention because the connection is rather remote and counterintuitive. That emigration of dissenters will strengthen an authoritarian regime in the short run is obvious; not content with allowing emigration, many such regimes have taken it upon themselves to deport or ban their political enemies—that is, they dealt with them in this particular manner during their more humane moments. But the likelihood that opening the gates and permitting outmigration may allow a regime to liberalize itself seems farfetched—except to those who have taken an advanced course in exit and voice.

Probably the main reason for the lack of interest in the political effects of emigration is that, as explained earlier, these effects had long been so positive. We do not investigate whatever seems to be going well no matter how poorly we understand the underlying process.

In recent years, however, emigration has not been wholly benign in its effects on the migrant-losing countries. This applies first of all to the brain drain: the size of the literature that has grown up around this topic strongly suggests that it is widely viewed as a problem. But even the 19th-century kind of emigration became a problem when it gave a repeat performance in the 20th, such as, for instance, the large-scale Irish emigration to England during the postwar period. The long decline of the Irish population, due to low birth rates and emigration, had come to a stop during the 25 years following Independence (1922), which coincided with the Depression and the Second World War. But after the war and particularly in the 50's, emigration, mostly from rural districts into urban Britain, surged once again and reached the highest levels in a century, in relation to the resident population (15 per mille per year in 1956-1961. This outflow aroused deep concern and became an important public and political issue that led to a decisive turn in economic policy. By the late 50's, the old description of emigration as a "safety valve" had been replaced by the image of a country suffering from hemophilia with "blood running out of its veins." The increasing concern that "Ireland was a dying country . . . led to calls for new economic policies, the adoption of various plans by the different political parties, the appearance of emigration as an issue in a parliamentary election for the first time, and finally the unopposed acceptance (in 1958) of a national economic plan designed to develop Ireland and prevent emigration."[28] The plan was successful in attracting foreign

[28] Nicholas R. Burnett, "Exit, Voice and Ireland, 1936–58," unpub. (1977), 15; also

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capital and spurring industrialization, but it is an open question to what extent the considerable drop in emigration in the 60's was due to the plan's success or to the diminished absorptive capacity of the British economy which itself became increasingly troubled during that period.

With the Irish immigrants encountering a similar environment and a familiar language in England, Irish emigration came to assume unusually large proportions and was eventually perceived as a threat to Ireland's national existence. A similar situation arose in East Germany, which in the 1950's experienced a flood of (illegal) emigration toward West Germany. Beset with concerns rather similar to those of the Irish, the government of the D.D.R. did not bother to look around for ways of making itself more attractive to its citizens: in 1961 it simply closed its frontiers more effectively than before by building the Berlin Wall.

The reactions of the two countries that felt threatened by mass emigration were thus very different, in parallel to similarly different reactions of various European countries to the sudden availability of cheap wheat from North America and Russia in the 1870's.[29] East Germany adopted a primarily defensive strategy—comparable to the imposition of higher tariffs on wheat by France and Germany in the late 19th century; Ireland, on the other hand, attempted to meet the challenge of mass exit by changing the underlying conditions that had resulted in the outflow—and this "creative response" is similar to Denmark's policies of agricultural transformation.

Both Ireland and East Germany, however, had something in common: a new perception of exit as a threat. They reacted with considerable determination, as though they were fully persuaded, in line with the thesis of the first section of this essay, that the existence of the state is incompatible with the virtually costless availability of exit and with resort of citizens to it as a routine response to dissatisfaction.

No doubt, these two countries and their experiences in the 50's were special pathological cases. But for that very reason they are of interest as they reveal potential trouble spots in the present state system. With closer communication, easy circulation of capital, and unprecedented international mobility of high-level manpower, states are today exposed to more exit pressures than ever before. Small states are particularly vulnerable to these pressures: a large country can often rather easily

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Burnett's doctoral dissertation, "Emigration and Modern Ireland" (School of Advanced International Studies, Johns Hopkins University 1976).

[29] See Charles P. Kindleberger, "Group Behavior and International Trade," *Journal of Political Economy*, Vol. 59 (February 1951), 30-46; and Peter A. Gourevitch, "International Trade, Domestic Coalitions, and Liberty: The Crisis of 1873-96," *Journal of Interdisciplinary History*, VIII (Autumn 1977), 281-313.

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accommodate an inflow of capital or manpower from a small country, while as an outflow these resources may represent a critical loss for the small country.

Why is it that there have not been more Irelands and East Germanys in the last 30 years or so? In part, no doubt, because *entry* has by no means been totally unregulated.[30] But in view of the considerable freedom of movement that has prevailed for capital and people (especially for trained personnel), it is likely that many states, and particularly small ones, have hit on various devices and strategies through which they have parried excessive tendencies toward exit. I shall briefly investigate how such strategies might work.

In the case of Ireland, the remedy for exit consisted of improved economic policy and conditions; indeed, countries worrying about exit do well to satisfy the basic economic aspirations of their citizens, particularly of the more mobile among them. But fortunately, individual economic welfare is not the only criterion on the basis of which the difficult and often agonizing decision to exit from one's own country is made.

What is needed in order to avoid excessive emigration and crippling brain drain is for a society to provide its members with *some* "attractions" that will reinforce their normal reluctance to leave. Besides an adequate supply of goods available for individual consumption, such attractions can also consist of what is known to economists as "public goods"; that is, goods that any member of a society can enjoy (consume) without thereby depriving others of their enjoyment (consumption) of these goods. A country's power and prestige, for example, are a public good that may be enjoyed by all of its citizens, including the most lowly and powerless. Along these lines it has lately been pointed out that social justice may be a public good: individuals may find it enjoyable to live in a society where income distribution is comparatively egalitarian.[31] Other public goods that come to mind include a long record for not becoming involved in international conflict or for guaranteeing human rights and democratic liberties. The latter two would make a country attractive to its citizens, especially in a world where destructive warfare frequently erupts and where many governments habitually suppress criticism and mistreat their political opponents.

[30] See Aristide R. Zolberg, "International Migration Policies in a Changing World System," to be published in William H. McNeill and Ruth S. Adams, eds., *Human Migration* (Bloomington: Indiana University Press 1978).

[31] Lester C. Thurow, "The Income Distribution as a Pure Public Good," *Quarterly Journal of Economics*, Vol. 85 (May 1971), 327-36; David Morawetz and others, "Income Distribution and Self-Rated Happiness: Some Empirical Evidence," *Economic Journal*, Vol. 87 (September 1977), 511-22.

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The availability in a country of any one of these public goods serves to hold exit at bay and to increase loyalty.[32] It is possible to visualize a state system in which, in spite of close contact and free movement of people and capital, exit would never assume threatening proportions because each country would supply its citizens with a different assortment of public goods, with emphasis on one area (or a cluster) as a special attraction for its own citizens. Different countries would then "specialize" in power, wealth, growth, equity, peacefulness, the observance of human rights, and so on. Such specialization would certainly result in a more stable situation than if performance of nations were rated only along one dimension, such as per capita GNP; in the latter case, it would become possible to establish an unambiguous rating among countries, and exits toward the best performers would mount dangerously. Achievements along the various dimensions just mentioned are not easily combined into a unique preference scale or welfare function; it is likely, however, that if a country's citizens were equipped with a modicum of loyalty to start with, they would value the particular area in which their country excels—whatever that may be—more highly than that of the others. An ethnocentric welfare function of this sort may therefore be a condition for a stable state system under modern circumstances of high potential mobility.

The foregoing "polyphonic" solution to the problem is perhaps too beautiful to be real. Among its difficulties is the obvious one that the pursuit of peace by one country may be incompatible with that of power by another. Then there is the fact that, frequently, "all good things go together": one or a very few countries may be doing best, or are perceived to do so, along several important dimensions such as power, wealth, education, and general opportunity. A related problem is that a hegemonic country may impose its own preferences and welfare function upon public opinion around the world. As a result, especially in a world with intensive communication networks, citizens of non-hegemonic countries would tend to give a higher rating to the achievements of the leading country than to those of their own.

In the face of such difficulties, do smaller countries have a second line of defense? Is there, in other words, some further highly valued public good that a smaller country can provide for its more mobile citizens so that they will still think twice before emigrating? A remark by the American sociologist, Renée Fox, who has been studying Belgian society for many years, is illuminating in this regard. Explaining her long involvement with that country, she says that she originally found Belgium

[32] See Hirschman (fn. 1), chap. 7, particularly p. 78.

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tempting because, among other things, she was led to believe that "a small country . . . would be simpler than a large country to comprehend in a sociological sense." But that premise turned out to be totally untrue; many years later she exclaims, "if I were now asked to formulate a sociological hypothesis about the relationship between the size of a country and the complexity of its social system, I would be tempted to suggest that there is an inverse relationship between the two; that is, the smaller the country, the more complex its social system!"[33]

In conjunction with the concern over excessive exit, this remark raises the question whether complexity could perhaps be part of a country's attraction for its citizens, as much as any positive achievement of the previously mentioned kind. For it is *understood* complexity insofar as the country's citizens are concerned; *they* know how to navigate expertly, not only in their country's language, but among its idiosyncratic ways, its conflicts and familiar frustrations.[34] When I first came to live in Colombia, explanations offered by Colombians of various to me puzzling situations would invariably start with the sentence "Es que ese es un país muy raro" ("you must realize that this is a very odd country"). Clearly, they took considerable pleasure in enlightening me about something *they* understood so well. *Understood complexity* may then be another public good a society can supply to its citizens, and that is perhaps a clue to Renée Fox's paradox about small countries being more complex than large ones. With the latter having so much going for them, the smaller countries defend themselves against excessive exit through a plentiful supply of understood complexity; and, with respect to this particular asset, there is full assurance that "you can't take it with you."

[33] Fox, "An American Sociologist in the Land of Belgian Medical Research," in Phillip E. Hammond, ed., *Sociologists at Work* (New York: Basic Books 1964), 349.

[34] On the difference between the "native's" views of his society and the outside observer's, see Clifford Geertz, "On the Nature of Anthropological Understanding," *American Scientist*, Vol. 63 (January-February 1975), 47-53.

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Review Articles

ECONOMICS, INFLATION, AND THE ROLE OF THE STATE:

Political Implications of the McCracken Report

By ROBERT O. KEOHANE*

Towards Full Employment and Price Stability, by Paul McCracken, Guido Carli, Herbert Giersch, Attila Karaosmanoglu, Ryutaro Komiya, Assar Lindbeck, Robert Marjolin, and Robin Matthews. Paris: Organization for Economic Cooperation and Development, 1977, 341 pp., $16.00.

THE 1970's have been difficult years for the world economy, and embarrassing ones for many policy-oriented economists. The combination of inflation and serious recession has troubled governments and angered their citizens. Assertions by economic advisors in the 1960's that the economies of industrialized countries could be "fine-tuned," with steady growth virtually assured, now seem to have been naively optimistic, if not ridiculous. It has become platitudinous to portray the world economy as "in disarray."

What went wrong? To this question there is a bewildering variety of answers, from economists of various persuasions as well as from journalists, politicians, and assorted miscellaneous observers. One set of answers merits particular attention, however, because of its source. In 1975, the Organization of Economic Cooperation and Development (OECD) appointed eight eminent economists, most of whom have held high governmental positions, to prepare a report on "the main policy issues involved in the pursuit, by member countries, of non-inflationary economic growth and high employment levels in the light of the structural changes which have taken place in the recent past" (p. 3). The result, after 18 months' work by members of the group and the OECD Secretariat, is *Towards Full Employment and Price Stability*. This report attempts to explain, and to suggest remedies for, "the recent serious deterioration of economic performance" in the advanced capi-

* I am grateful for comments on earlier drafts of this paper to more than a dozen friends and colleagues. The suggestions of Benjamin J. Cohen, Van Doorn Ooms, and Edward R. Tufte were particularly extensive and valuable. For inspiration and insight, I am most indebted to the late Fred Hirsch. Part of my work on this paper was supported by the Center for Advanced Study in the Behavioral Sciences under National Science Foundation grant BNS-76-22943.

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talist countries. It contains a wide-ranging examination of some problems of modern capitalism, and it suggests policy directions in response to those dilemmas.

The report requires evaluation first as explanatory theory. I will argue that its attempt to understand inflation and unemployment in advanced capitalist states is inadequate. This inadequacy is not entirely the result of faults that may exist in its purely economic analysis (which I will leave to economists to criticize), but of a failure seriously to investigate political, social, and psychological influences on macroeconomic outcomes.

The report's authors aspire to prudent policy recommendation as well as to coherent explanation. Thus they have tried to serve the principal function of policy science (prescribing policies to be followed on issues to which technical expertise is relevant) as well as to attain the chief goal of normal science (explaining phenomena in light of a generally accepted theory). In this essay I will question how successfully the report combines these tasks. To what extent are the policy recommendations of these OECD economists derived from the findings of economics *per se*—and to what extent do they stem, instead, from unexamined political or ideological assumptions? Are the analytical accomplishments of economics used to generate sound prescriptions, or do they merely serve (with the reputations of the report's authors) to legitimize an essentially political argument?

Finally, the report raises some larger questions about economics and politics in the capitalist democracies of the OECD. Its recommendations for economic policy suggest the necessity for political change, although the feasibility and consequences of such change are not explored. Indeed, the report goes so far as to imply that, for the sake of economic prosperity, modern democratic states will need to play different political-economic roles in their societies than they have during the last thirty years. They should, according to the report, exert more discipline on their economies while resisting the temptation to confer short-term benefits on their citizens through large-scale public spending. Since the report fails to assess the political feasibility of these recommendations, however, it leaves us with an unresolved analytical question rather than with valid policy answers. Can the conflicts between the conditions for economic growth (as identified by the report) and the practices of modern governments be reconciled without fundamentally altering either democracy or capitalism?

The authors of the McCracken Report may not realize that they have posed this fundamental and perennial question. Indeed, they seem to

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assume that democracy and capitalism are, and can remain, fully compatible with one another. In view of the fact, however, that Marx and Schumpeter thought otherwise, social scientists would be wise to reexamine this issue under late-20th-century conditions. In this review essay, I make no attempt to suggest an answer. Nor do I ask here about the compatibility of socialism with democracy. Critical analysis of capitalism by no means implies a preference for a specific alternative system—whether socialism, feudalism, or syndicalism. My purpose is to indicate, first, that the evolving relationship between capitalism and democracy remains a source of puzzles that have no satisfactory answers in the present state of our knowledge; and second, that further political and sociological inquiry, as well as economic analysis, will be required if we are to make progress on these questions. Sustained attention to problems of political economy seems essential if some of the most important forces affecting our lives are to be understood.

Explaining Inflation

The report classifies the factors contributing to deteriorating economic performance in the industrialized economies under three headings: shocks; errors of policy; and "changes in basic relationships endogenous to the economic system" (p. 101). The "shocks" include the food and oil price explosions and the collapse of the fixed exchange-rate regime that governed the world's financial relations during the 1960's. According to the report, governments made major errors of policy in 1970-72. Overly expansionary policies, particularly monetary policies, led to the boom of 1972-73 and the acceleration of inflation. These "shocks" and errors are held accountable for most of the deterioration in economic performance:

> A key conclusion we draw from this assessment of the factors underlying recent experience, is that the most important feature was an unusual bunching of unfortunate events unlikely to be repeated on the same scale, the impact of which was compounded by some avoidable errors in economic policy. In other words, the first half of this decade saw an upheaval in the economic affairs of the western industrialized nations that is unlikely to be repeated. . . . To understand recent economic events one need not appeal to theories about the breakdown of traditional economic institutions, the demise of basically market-oriented economic systems, or the crumbling of world order (p. 103).

The authors argue that part of the worsening of performance must be accounted for by more fundamental factors that are of long-term significance. They maintain that the inflation of the mid-1970's was caused

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to some extent by a rise in popular aspirations, which was a result of a long period of prosperity. As people's expectations adjust to successful economic growth, their demands increase—both their direct demands for goods and services and the demands they make on the political system (p. 156). Confidence in the ability of governments to maintain growth and full employment leads to more aggressive bargaining for wages (p. 104). Organized labor presses for higher wages even at the cost of higher unemployment, since the burden of unemployment is rarely felt by union members (p. 159); and there may be a tendency for real wages "to increase too rapidly," or "to increase relative to output prices," leading to a decline in the profitability of investment and increased unemployment (pp. 159, 161, 170-71). Business firms, in an environment of inflation, raise prices, contributing to a wage-price spiral; commodity prices rise as a consequence of higher current levels of economic activity as well as of hedging and speculation.

Although the report holds that the most fundamental sources of inflation are domestic (p. 237), it considers international factors to be of increasing importance. The collapse of the pegged-rate system led to rapid increases in international official liquidity: from $78.4 billion in 1969 to $183.7 billion in 1973, and $227.4 billion in 1975 (Table A.3, Annex, p. 269). Eighty-five percent of the increase between 1970 and 1973 was accounted for by increases in foreign exchange reserves. The creation of reserves on this scale "contributed to the synchronized boom of 1972-73 and was therefore inflationary" (p. 56).

Because of close financial ties among industrial economies, domestic inflation in one country reinforced inflation in others: "When a large number of countries are simultaneously pursuing expansionary policies, the combined multiplier effect for the system as a whole is stronger than an individual country would expect to be applicable to its own economy if it had acted alone: the OECD area is much less of an open economy than each of its components" (p. 65).

These internal and international factors were not sufficient by themselves, however, to produce the inflation of 1973-74. Governments had compounded the problems by failing to exercise domestic discipline over their money supplies in 1971-72: "It was because the domestic authorities decided not to sterilize—or were unable to sterilize—the large foreign-exchange inflows at the time of the breakdown of the system of pegged exchange rates" that monetary supplies grew so rapidly (pp. 109-10). The report classifies these monetary policies as "avoidable policy errors," but behind those mistakes the authors perceive the more fundamental problem of governmental weakness. Pervading the report

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is the view that contemporary democratic governments are unwilling to exercise sufficient domestic discipline, particularly monetary discipline (cf. pp. 128, 237). They tend to err on the side of laxity. Massive increases in foreign exchange reserves in 1970-73 therefore constituted a temptation for easy monetary policies that governments were unable to resist.

An examination of these explanations of inflation immediately reveals their political and sociological nature. None of them is essentially endogenous to the *economic* system. Increases in food prices during 1972-73 were partly due to bad weather and poor harvests in much of the world. Policy decisions, made largely for political reasons, contributed to the rise of food prices. These decisions included earlier changes in U.S. and Canadian policies concerning food reserves, and Soviet decisions, in the wake of disappointing harvests, to import feedgrains rather than to reduce livestock herds.[1] The rise in the price of oil in 1973-74 was less a product of market forces than of governmental decisions that were taken for both economic and political reasons. The collapse of the "Bretton Woods Regime" in 1971 may have been inevitable (as the report argues) in light of changing economic conditions; but these conditions themselves in part reflected political and even military actions (such as the Vietnam War). The "avoidable policy errors" of 1970-72 were not principally caused by incompetent economic advice or even inadequate data (although both may have been involved); they were the consequence of political decisions that imparted an inflationary bias to policy.[2] The long-term internal factors on which the report relies—increases in popular aspirations, the development of inflationary expectations, and increased union militance—are hardly "economic" factors. Finally, the interdependent international economic system, which in the view of the authors compounded inflationary problems, is to a great extent the result not only of conscious govern-

[1] See *The Global Political Economy of Food*, special issue of *International Organization*, XXXII (Summer 1978), edited by Raymond Hopkins and Donald J. Puchala.

[2] These political decisions were due not merely to pressures for prosperity from the public, but also to active attempts by leaders to manipulate their economies in such a way as to assure their own reelection. See Edward R. Tufte, *Political Control of the Economy* (Princeton: Princeton University Press 1978). Economists have also explored this question. Prominent examples include William D. Nordhaus, "The Political Business Cycle," *Review of Economics Studies* XLII (April 1975), 169-90; Robert J. Gordon, "The Demand for and Supply of Inflation," *Journal of Law and Economics* (December 1975); Assar Lindbeck, "Business Cycles, Politics and International Economic Dependence," *Skandinaviska Enskilda Banken Quarterly*, II (1975); and Lindbeck, "Stabilization Policy in Open Economies with Endogenous Politicians," *American Economic Review*, Vol. 66 (May 1976).

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mental policies, but of the United States' political and economic dominance in the postwar world.

We are thus confronted with the paradox of an "economic" report, written exclusively by economists, that accounts for major macroeconomic phenomena in political and sociological terms. Yet despite its reliance on impressions about sociological, psychological, and political phenomena, the McCracken Report makes no attempt to specify the importance of those phenomena, or even carefully to verify their existence.

Thus the report affirms its authors' belief "that there is much qualitative and impressionistic evidence that the rapid rise in aspirations has been a cause of problems"; but no such evidence is adduced, and no studies of public aspirations and attitudes are cited (p. 156). The report asserts that "increasingly, present-day wage bargaining reflects a determination not only to maintain a certain money wage level but to maintain a certain real wage level and even a certain rate of growth of real wages" (p. 158); but no data are presented to show that unions have become more militant. The report also argues that "rising public emphasis on objectives relating to income distribution, and to the welfare of the populations of developing nations, have altered economic goals and led to pressures for increased state intervention and administrative control in economic affairs" (pp. 102-3). Evidence is not offered for this sweeping assertion; and alternative hypotheses (for instance, to the effect that in pluralist societies, organized groups press for increased state intervention to serve their own interests) are not even mentioned.

Thus the report treats casually the factors that—on its own analysis—are most important in explaining inflation. The authors can trace in detail the processes by which inflation is transmitted from one country to another, or from one sector to another; when they are engaged in this exercise, as in their discussion of the effects of increased liquidity on inflation, they present large amounts of data with great care. Yet in discussing the "causes" of inflation (as identified in their own report), they are quite content to select important variables in a casual, *ad hoc* fashion and to evaluate their significance impressionistically, without benefit of either information or research.

Explaining Recession and Stagnation

The report views the recession of 1974-75 as the result of belated governmental decisions to control inflation.

> There seems little doubt that a substantial recession was intended—and, most of us would argue, necessary to limit the risks of wage explosions

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> and an accelerating price level—but also little doubt that it turned out to be steeper and deeper than initially expected. There was underestimation of the simultaneous lagged effects of restrictive policies and the external shock of the oil price increase, both acting concurrently in nearly all countries, interacting with—and reinforcing—progressive loss of confidence on the part of both business and consumers (pp. 70-71).

The authors have a more complex explanation for the slowness of the recovery. At the domestic level, they attribute great importance to the development of inflationary expectations as a result of recent experiences. "The expectations of high rates of inflation and pessimism about future growth generated by recent experience have undermined normal, self-correcting forces present in market economies" (pp. 191-92). Indeed, the key reason for the report's recommendation that governments not pursue highly expansionary fiscal and monetary policies is *not* a fear that shortages of labor or capacity would soon appear, but that "despite the existing large margins of spare capacity an overly rapid *rate of increase* in demand would lead to a resurgence of the kind of anticipatory inflationary behavior in commodity and product markets—feeding back on labour markets—which characterized the 1972-73 boom" (p. 183).

The report identifies lack of confidence among businessmen as another major barrier to recovery (p. 163). Businessmen lack confidence, according to the report, because of continuing high rates of unused capacity as well as uncertainties caused by high rates of inflation and currency upheavals. The industrialized countries are in a "catch-22" situation: increasing the pace of economic activity will stimulate inflationary expectations, but failing to do so will keep confidence low, thus perpetuating stagnation. The authors of the report optimistically envisage a "narrow path to growth" that avoids both inflation and stagnation:

> There may be at the moment only rather a narrow path around the target recovery track which those responsible for managing demand should be aiming at in order to minimize unemployment and maximize output over the recovery period. The lower limit is set by the need for a rate of expansion sufficient to encourage a recovery in investment, both through spreading overhead costs and improving profit margins, and through creating expectations of the need for additional capacity in the reasonably near future. The upper limit is set by the point at which a rapid increase in aggregate demand would reverse the trend towards a gradual winding-down of inflationary expectations (pp. 189-90).

The two major factors in this analysis—"inflationary expectations" and "lack of confidence"—have their sources as much in social psychol-

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ogy as in economics. The key concept forming the basis for the recommendations of the report—the idea of a "narrow path to growth"—can only be valid if there is a range of activity that will improve confidence more than it will reinforce inflationary expectations. In economic terms, the "activity-elasticity" of confidence must be greater, across some range of activity, than the "activity-elasticity" of inflationary expectations. Otherwise, moderate stimulative policies will worsen inflation more than they will increase investment. Yet despite the vital role of confidence and inflationary expectations in its recommendations, the report makes no attempt to present data on these factors, much less to estimate how they would react to different rates of economic growth.

It is hard to avoid the conclusion that the McCracken Report fails to present a convincing and well-specified explanation of inflation and recession. The fundamental causes cited in the report, which are political, sociological, and psychological, are neither described precisely nor explained. The report does not develop an interdisciplinary analysis; indeed, the authors do not even manifest an awareness that one is needed.

The consequence of this narrowness is to relegate economics to an important but limited role in the explanation of macro-level political-economic events such as inflation. Economics can account for certain inflationary processes: for instance, given the large increases in the world's money supply in 1970-72, macroeconomists are able to explain much of the inflation of 1973-74. But economics alone cannot explain the governmental decisions that led to relaxed monetary policies; nor can it account for the sharp policy reaction to double-digit inflation, or for the variability of that reaction from one country to another. Similarly, an economic analysis can account for the effects of wage increases on prices and profits; but it can hardly explain the wage increases themselves in a heavily unionized economy not suffering from excess demand.[3] Like science generally, economics is at its best in formulating and testing conditional propositions: for instance, if the money

[3] George L. Perry found that economic variables in his models did not successfully predict "wage explosions" in France and Japan in 1968, or in Belgium, Germany, Italy, Sweden, and the United Kingdom in 1970. Neither monetarist nor cost-push theories of inflation yielded strong results. He concluded that "conflict over income shares has been a source of wage inflation," and that "institutions are important and can lead to a wage behavior that would be unpredictable from equations one could normally fit." Perry, "Determinants of Wage Inflation Around the World," *Brookings Papers on Economic Activity* (Washington, D.C. 1975), 403-35. Douglas A. Hibbs, Jr. attributes wage inflation in Britain, France, Italy, and the United States to a considerable extent to trade-union militancy; see Hibbs, "Trade Union Power, Labor Militancy and Wage Inflation: A Comparative Analysis," Center for International Studies, Massachusetts Institute of Technology (April 1977).

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supply increases at rate x in period t prices will rise at about rate y in period $t + 1$. The problem is that the key determinants of macroeconomic phenomena such as inflation seem to lie in the non-economic conditions that must be known, or specified, before the economic analysis can take place. Economics is a necessary part of an explanation. But since it relies on a prior specification of social and political conditions—and since policy responses to economic events are also conditioned by social and political, as well as psychological, factors—it can occupy only an intermediary position in any general explanation of inflation, recession, or successful growth in modern economies. A more profound understanding of macroeconomic events will only be achieved by combining economic argument with the analysis of conflicts of interest, and the exercise of power, as they take place within different national societies and in the international political economy.[4]

The McCracken Report as "Policy Science"

Why has the disappointing Western economic performance of this decade not discredited conventional economics as a policy science? After all, economists such as those who produced the McCracken Report were in positions of influence during the early 1970's, when governments made serious policy errors. Many central banks collaborated with governments in following the easy-money policies that have contributed to our present ills.[5] Even the president of the American Economic Association has recently expressed dissatisfaction with the ability of the profession to understand and interpret events.[6] Nevertheless, major governments continue to rely heavily on the advice of professional economists: although past economic policies may have been discredited, economics retains its prestige.

Ironically, the persistence of economics as a policy science depends in large part on the political weakness of economists, and the consequent failure of politicians to follow their advice. Since the ultimate causes of macroeconomic events lie outside the strictly economic sphere,

[4] Recent sociological and historical analyses of the origins of capitalism are suggestive, although their ambitions are only exceeded by the difficulty of carrying out similar undertakings for the contemporary world. See Perry Anderson, *Lineages of the Absolutist State* (London: New Left Books 1974), and Immanuel Wallerstein, *The Modern World-System: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century* (New York: Academic Press 1974). For a brilliant critique of the latter, see Theda Skocpol, "Wallerstein's World Capitalist System: A Theoretical and Historical Critique," *American Journal of Sociology*, Vol. 82 (March 1977), 1083 ff.

[5] For a discussion of the behavior of the U.S. Federal Reserve Board during 1971-72, see Tufte (fn. 2).

[6] Robert Aaron Gordon, "Rigor and Relevance in a Changing Institutional Setting," *American Economic Review*, Vol. 66 (March 1976).

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economic theory cannot be blamed for the most serious malfunctions of the economy. Economists in the OECD countries cannot control the "exogenous shocks" emanating from planned economies and OPEC; nor can they always persuade "endogenous politicians" to follow policies that might be economically optimal in the long run, but politically costly during their own tenure. For the typical political leader, Keynes's aphorism, suitably modified, remains cogent: "In the long run, we will all be out of office." The political weakness of economics means that the theories of its leading practitioners are never exposed to a "pure test," and therefore never risk clear disconfirmation. Paul McCracken and his collaborators can offer their advice without worrying that it might be fully implemented—and found inadequate.

The authors of *Towards Full Employment and Price Stability* seem well aware of their political weakness, and seek to remedy it, in part, by trying to persuade political leaders that they *must* pay more attention to economic constraints. They emphasize the inherent limitations on governmental action in a capitalist economy. It is an illusion, they argue, that governments can create full employment and price stability regardless of how private actors behave: "Governments cannot deliver on an unqualified guarantee of full employment regardless of what is happening to wages and prices" (p. 186). The actions and expectations of individuals, unions, and firms can make governmental power ineffective. The powers of government are limited externally by the effects of other governments' actions as well as by the decisions of private financial markets. Governmental policies that are inconsistent with the expectations and behavior of the public, or with the requirements of international solvency, are likely to fail. Only those policies that pursue the "narrow path to growth," involving considerable unemployment over a period of time, have much prospect of success. Contemporary capitalism implies considerable unemployment in the short run.

This argument is clearly less congenial to mild social democrats or liberals (in the American sense) than it is either to conservatives or radicals. For conservatives, such an analysis is used to reinforce the case for deflationary policies, accepting unemployment in the short term (and perhaps indefinitely) in order to contain inflation and to increase the confidence of businessmen. For radicals, on the other hand, recognition of an unemployment-inflation dilemma suggests that if capitalism cannot solve this problem, it should be scrapped. The contemporary welfare state was viewed by its advocates as a refutation of Marxist theories about the crisis of capitalism. If the managers of the

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economy were to renounce their commitment to full employment with price stability, one of the key justifications for capitalism (from the viewpoint of the working class) would be undermined. Could one then blame workers for reconsidering their endorsement of political and economic arrangements that had failed to fulfill their expectations?[7]

The economic analysis in the McCracken Report helps us to understand political polarization in Western Europe. The report implies that the social democratic "middle way" is running into a dead end: ambitious welfare states cannot achieve their goals. If people believe this (whether it is true or not), they will feel a greater necessity to choose between Right and Left.[8]

Professor McCracken and his colleagues are not content merely to point out the dilemmas that capitalism poses for democracy. On the contrary, they vigorously argue for pro-capitalist policies, using unexamined conservative assumptions and values to make their point. Although they do not undertake a sophisticated analysis of political and social institutions and processes, they are willing to make policy recommendations that rest on political ideology as well as on economic argument. Thus the report displays a consistent bias against increasing governmental involvement in the economy, particularly through greater public ownership or wage and price controls. It warns against "disproportionate growth of the public sector" (p. 112), and asserts that "excessive reliance on monetary policy for restrictive purposes can introduce a bias against private as distinct from public expenditure" (p. 124). No analysis is offered of the "proper" extent of the public sector. In a critical discussion of price and wage controls, however, the report does invoke what appears to be a form of natural law theory to support its conclusions: "The benefits (of price and incomes policies) obtained in terms of any improvement in the trade-off between inflation and high levels of employment are outweighed by the costs in terms of the distortions introduced into the economy and the diversion of existing social and political institutions *from their natural functions*" (p. 218; emphasis added).

Political theorists with a sense of humor will appreciate this passage, but will regret that the authors did not further elaborate their theory of the "natural functions" of contemporary political and social institutions.

The McCracken Report emphasizes the necessity for governmental

[7] The report recognizes this possibility: "The continuation of excessively high rates of unemployment could call into question the market-oriented economic system" (p. 183).

[8] The authors of *Towards Full Employment and Price Stability* do not seem to recognize this implication of their analysis, which remains largely unexplored in their report.

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discipline so that the momentum of capitalism can be restored. National policies should be designed to increase profits, and hence investment. Thus the report suggests that governments might "try to reach a consensus on the need for higher profits and investment among the government, labour, and management in the framework of some form of price and incomes policies" (p. 208). Such a policy implies, as a corollary, that "in a number of countries public expenditure will need to grow less rapidly than it has in recent years" (p. 176). The report expresses the hope that governmental self-restraint will also help to stabilize the international monetary system, despite the pressures to which it has been subjected: "We can only hope that it is the stronger disciplinary element under the present regime that will prevail; that faced with the greater pressure to adjust, countries will find the strength of purpose needed to overcome the greater difficulties involved" (p. 128).

Conservative external policies are considered particularly important since "exchange markets have long memories." Confidence in governmental policies on the part of the international financial community will therefore be essential to a successful domestic economy: "Gaining enough confidence by firm policies—and keeping it—will inevitably require determined and sustained domestic discipline" (p. 237).

The policy science of economics, as manifested in the McCracken Report, assumes that modern democratic governments must act in ways that promote capitalist development. If successful capitalism requires increased profits and private investments, democratic governments should endeavor to increase corporate profits. If international financial markets are important, governments should try hard to gain the confidence of international financiers. The unstated premise in these transitions from positive statements to normative imperatives is the contention that democratic politics must adjust to capitalist economics, rather than vice versa. Capitalism has its own imperatives, according to the report; these cannot be fundamentally altered by political decree. Furthermore, the report assumes that capitalism must be retained. Given the assertion and the assumption, it is a short step to the conclusion that democracy must conform to capitalism—particularly if one has not undertaken an analysis of the political constraints under which modern democratic governments labor. When this conclusion takes on the status of doctrine, and its proponents preach to governments about the "narrow path" to the Heaven of full employment with price stability, policy-oriented economics—whether Keynesian or monetarist—comes to resemble traditional theology. It becomes "neo-orthodox."

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Neo-orthodox Economics and the Role of the State

To those used to thinking in terms of Left versus Right, it is surprising how much agreement on contemporary capitalism exists between conservatives and Marxists. Both contend that the capitalist system has an internal dynamic, centered on the accumulation of capital. Crises and drastic political-economic change will result if, over a substantial period of time, the political system fails to create the conditions for capital accumulation.[9] American liberals and their mildly social democratic European counterparts, by contrast, have de-emphasized the dynamics of capitalism, even to the point of being reluctant in some cases to describe contemporary economic systems as "capitalist." Here the conservatives and the Marxists surely have the better part of the argument. Admittedly, the economic role of the state has increased; but private control of the means of production and resources for investment remains predominant in the OECD area. The major economic sources of power rest in private hands. Pressure from business on governments for more favorable policies is continuous, and capital's ability to punish governments for non-cooperation (by failing to invest domestically) is considerable.[10] On the other hand, even Marxists no longer adhere uniformly to the view that OECD governments are merely puppets of coherent ruling classes: they also recognize some degree of governmental autonomy and bargaining power. What conservatives and Marxists have in common, however, is a perception of the limits placed on governmental power by the inner logic of the capitalist system. Policies that threaten capital accumulation cannot be pursued indefinitely without threatening the momentum of capitalism itself.

The internationalization of capital, as reflected in the rapid growth of international financial markets over the past decade, has reinforced the political power of financial interests in modern capitalism. The McCracken Report points out that governments have increasingly relied for financing on private financial markets: borrowing arrangements from other official sources have become "of only moderate importance." As a result,

> Governments are formally unconstrained in their demand for credit to

[9] For two Marxist statements of this thesis, see James O'Connor, *The Fiscal Crisis of the State* (New York: St. Martin's Press 1973), and Claus Offe, "The Theory of the Capitalist State and the Problem of Policy Formation," in Leon N. Lindberg and others, eds., *Stress and Contradiction in Modern Capitalism: Public Policy and the Theory of the State* (Lexington, Mass.: Lexington Books 1975).

[10] For a recent exposition of a similar argument from another disillusioned liberal, see Charles E. Lindblom, *Politics and Markets: The World's Political-Economic Systems* (New York: Basic Books 1977).

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> finance payments imbalances or to influence exchange-rate movements, as long as they are willing to pay the market rate of interest. So long as the private markets are prepared (and able) to increase their deposits in domestic banking systems in order to satisfy higher loan demand, governments will be able to continue borrowing and official reserves will continue to be created. Consequently, the limits of reserve-creation have become ill-defined and fluid, being set now by the private market's judgment of the credit-worthiness of individual countries rather than by official multilateral evaluation of the needs of the system as a whole. *In this sense, the private market has taken over functions and responsibilities that used to be thought more appropriate to national and international authorities, and the international monetary system has taken on some of the characteristics of a domestic credit system without a central bank*. Today, it is often private institutions which effectively make the crucial decisions regarding access to liquidity and the financing of payments imbalances. The terms attached to this liquidity tend to be those associated with standard banking practices (p. 130; emphasis added).

Dependence of governments on private financial markets—which is to a great extent the result of increases in oil prices—creates additional pressures for conservative economic policies that are deferential to the interests of capital. It becomes more difficult to follow egalitarian polices of income distribution. The report explains that in formulating polices affecting the distribution of income,

> . . . some governments may have underrated the consequence(s) of international interdependence and overrated their scope for independent action. With the improvement in international communications there are increasing signs of an international "demonstration effect" which, coupled with the greater mobility of skilled labour, may lead to a capital flight and a brain drain from countries pursuing equality strenuously with an inadequate growth rate, while in others failure to do enough about inequality creates political unrest (pp. 136-37).

The McCracken Report urges governments to restore the vitality of capitalism by pursuing steady policies promoting relatively slow growth (thus perpetuating high unemployment through the short-to-medium term), and by encouraging increases in rates of profit while restraining rises in real wages. The role of the state is to keep the collective behavior of individuals and firms in the private economy consistent with the dynamics of capitalism—in particular its need for investment, exports, and efficient allocation of resources. There are serious international as well as domestic constraints on the state's ability to redistribute income or promote full employment in the short term. Within a limited sphere, defined largely by the dynamics of capitalism, the state

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must be active; but it must not transgress its "natural" limits. And within those limits, much of its activity should be directed toward restraining people's impulses: despite public desires for short-term gratification, the state must pursue a steady, long-range plan, imposing in the short run the sacrifices necessary for long-run success.

This conception of the state is quite different from either *laissez-faire* theory or the "pluralist Keynesianism" of the 1950's and 1960's. The OECD economists favor a much more active role for the state than *laissez-faire* theory would have allowed. They do not assume that the economic system is self-equilibrating: the state must play the role of disciplinarian, restraining individuals and firms for their own long-term good. This "disciplinary state" is also quite different from that envisaged by the optimistic Keynesians of the postwar quarter-century. During that period, many officials and policy-oriented economists believed that sustained growth and relatively full employment could be maintained under conditions of only moderate inflation. Indeed, resources remained for increases in social welfare benefits and subsidies to a myriad of organized groups active in pluralistic societies. Politically influential segments of the public regarded the state as a benefactor; elected leaders justified their policies by pointing to the general prosperity. Capitalism did not take care of itself; but government measures required to promote capitalism—such as budget deficits—brought short-term rewards, rather than costs, to members of the public.

The authors of the McCracken Report derive the need for a disciplinary state from their analysis of contemporary capitalism. Since they believe in representative government, they hope for the appearance of *democratic* disciplinary states that will be able to persuade their citizens to accept greater economic restraint, and fewer benefits, than they have enjoyed in the past. These governments would presumably have to be relatively unified and to enjoy substantial legitimacy within their societies. They would also have to obtain the cooperation of business and labor. In the view of the report, governments should regularly discuss target price and wage levels with business and labor organizations; and they should attempt to harness these groups' market power "to promote the public interest in price and growth stability" (p. 216).

Such democratic governments play the role of *deus ex machina* in the McCracken Report. Their existence is posited, not because it has been shown to be plausible on the basis of sophisticated political analysis, but because such governments *must* be possible in order to reconcile capitalism with democracy. Fundamental contradictions between mod-

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ern capitalism and political democracy have been excluded by assumption.

In Germany, Japan, and perhaps the United States, disciplinary democracies such as those favored by the McCracken Report may be feasible. The wealth, economic vigor, and political stability of these societies may allow them to take their economic medicine without suffering allergic political reactions. But in the weaker economies of the OECD, such as Britain, France, Italy, and several smaller countries, fragile and internally divided governments are in power, and economic difficulties are often severe. Calling for more sacrifices by ordinary people in order to increase profits and thus preserve capitalism hardly constitutes a brilliant rallying cry for a new majority. It is difficult to imagine French socialists, Italian communists, or British trade unionists joining readily in a "consensus on the need for higher profits." The prescriptions offered by the economic doctors of the McCracken Report could bring political death for weak coalition governments before they succeeded in restoring vigor to their economies.

The authors of *Towards Full Employment and Price Stability* are thus better at suggesting dilemmas than in demonstrating that democratic governments can overcome them. Their optimism about the ability of governments to pursue disciplined internal policies is questionable. If they are correct, disciplinary states are necessary for the prosperity of capitalism, but such states are unlikely to be established democratically throughout the OECD area. In some countries, democratic institutions and modern capitalism may be compatible; but there is no guarantee that this will be the case everywhere. In the short run, one can expect a continuation of current patterns of uneven development: strong economies (such as those of Germany, Japan, and the United States) will become stronger relative to the weaker ones (such as those of Britain, France, Italy, and several smaller OECD countries). In the longer run, political upheaval and crisis may occur in several countries.

In its conclusion, the report turns to "the international dimension," and in particular to the role of international coordination of policy in the world economy. Rather than providing a basis for greater optimism, international considerations cloud the picture even further. Close links among financial markets in various countries make the coordination of demand management essential:

> Central banks have little choice today but to act as components of a sort of global Federal Reserve System if they wish to continue to have any

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> effective control over macro-economic developments in the world economy. The essential instruments of monetary sovereignty, of course, remain national. But in using them, monetary authorities must act increasingly in terms of the broader interests of the world community as a whole (p. 242).

What basis does the politically informed observer have for believing that the "broader interests of the world community as a whole" can be defined or acted upon by separate national agencies? The "public interest" is difficult enough to agree on domestically. Where there is a hegemonial power in the world economy, it may be able to define the "global interest" unilaterally and impose it, at least to some degree, on other actors. But historical experience does not lead to much confidence that governments can agree on strong international economic regimes where power is dispersed.[11] The attempts of the Carter Administration during 1977 to persuade Germany and Japan to reflate their economies were not conspicuously successful. Under some conditions, effective coordination of international economic policy may be feasible on certain issues; but no studies have yet been published that specify those conditions or that systematically analyze constraints on such coordination. The alleged necessity for international coordination thus raises further questions about the prospects of world capitalism. The OECD economists aver that good economic policy is made at home; but they imply that good policies followed by only a few countries could be thwarted by the foolishness or lack of public spirit of others. Interdependence is more a complication than a remedy for the problems facing world capitalism.

Conclusions

This essay has assessed the McCracken Report on three dimensions: (1) as explanatory theory, accounting for macroeconomic (or political-economic) phenomena such as inflation; (2) as policy science; and (3) as a set of largely implicit recommendations for political arrangements compatible with modern capitalism. As explanatory theory, the report is deficient. It does not carefully explore non-economic sources of inflation and therefore cannot explain its fundamental causes. Worse yet, it resorts to sloppy, impressionistic discussion when treating social, political, and psychological issues. As policy science, it contains a large dose

[11] For discussions, see Charles Kindleberger, *The World in Depression, 1929–1939* (Berkeley: University of California Press 1974), 305-7; and Robert O. Keohane and Joseph S. Nye, *Power and Interdependence: World Politics in Transition* (Boston: Little, Brown 1977), 229-34.

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of ideology, which is neither explicitly defended nor critically examined. This pervasive ideology facilitates the many transitions in the report from empirical to normative propositions. Finally, the political recommendations fail to resolve an apparent contradiction between the role of the state required by capitalism and the political conditions in many OECD countries at the present time. There is little reason to believe that the policies recommended are politically feasible in many of the weaker OECD countries. On the contrary, it is more plausible to expect continued unevenness of development within the OECD area; political upheavals in several countries are by no means impossible.

The deficiencies of the McCracken Report as policy science and prescription result more from its authors' political biases than from their disciplinary affiliations. Strictly economic arguments would not have carried them into the thicket of natural law theory or the swamp of conservative ideology. They were taken in those unpromising directions not by economics, but by their unquestioning acceptance of conventional elite assumptions about capitalism and democracy, as well as by their own biases. In this respect, the report illustrates a recurring problem of policy science. To gain the attention and respect of policy makers, analysts must accept their assumptions; but where those assumptions are faulty or problematical, such acceptance eviscerates the analysis. It prevents a systematic exploration of fundamental issues.[12]

The inadequacies of the McCracken Report as explanatory theory derive more directly from the traditions of economics as a field of study. Economics has achieved precision at the cost of narrowing its scope and becoming a somewhat "thin science," lacking contextual richness and depth in dealing with complicated problems.[13] The most sophisticated economists have recognized this problem, and have taken it carefully into account in defining the conditions under which their findings apply.[14] Others, however, have overreached themselves by

[12] This criticism applies as strongly to the attempts of many political scientists to carry out policy analysis as it does to those of economists. For an interesting discussion of related issues, see Lawrence Tribe, "Policy Science: Analysis or Ideology?" *Philosophy and Public Affairs*, II (Fall 1972).

[13] The idea of economics as a "thin science" is meant to contrast with Clifford Geertz's notion of good anthropology as "thick description." See Geertz's essay of that title in his book of essays, *The Interpretation of Cultures* (New York: Basic Books 1973).

[14] Joseph Schumpeter, for instance, comments as follows: "When we succeed in finding a definite causal relation between two phenomena, our problem is solved if the one which plays the 'causal' role is non-economic. We have then accomplished what we, as economists, are capable of in the case in question, and we must give place to other disciplines." Schumpeter, *The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest, and the Business Cycle*, trans. by Redvers Opie, 1934; (4th print-

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claiming wider relevance for their knowledge than is justified. As I have tried to show, the authors of the McCracken Report have committed this error.

Failure to understand the political economy of contemporary capitalism, however, cannot be laid entirely at the economists' door. Political scientists and sociologists have been equally guilty, by failing to bring their analytical approaches or research methodologies to bear on problems such as inflation and unemployment. Even a conscientious economist, careful to recognize the limits of his or her discipline, will find that political science and sociology have relatively little of value to say about macroeconomic issues.

Signs of change are appearing in this bleak landscape. Tufte's important work has already been cited. Both in Britain and the United States, major projects on the "political economy of inflation" are under way.[15] Both seek to explain inflation by reference to political and sociological, as well as economic, factors. One possible approach, as John Goldthorpe argues, would be to develop a sociological account of inflation "which is not tied, so far as its validity is concerned, to any one particular economic theory." According to Goldthorpe, sociologists must assume that "the economic problem is to an important degree epiphenomenal." Social divisions and antagonisms" will be found "at the root of what are experienced as economic problems."[16]

Fred Hirsch has responded to this "neat counter-thrust in sociological imperialism" by proposing that the social relationships contributing to inflation can themselves be analyzed with the aid of economic principles—particularly the theory of public goods. In Hirsch's view, it is the "constriction of the economic approach to a model of rationality appropriate only to private economic goods" that has narrowed the vision of most economists, thus leaving the most fundamental determinants of inflation rarely discussed and poorly explained. Hirsch therefore favors an integrated theory of inflation that does not accord superior status, *a priori*, to any single explanatory approach.[17]

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ing, Cambridge: Harvard University Press 1951), 4-5. By contrast, the McCracken Report does not acknowledge the necessity to "give place to other disciplines," which in this context would require serious professional treatment of political, sociological, and historical issues.

[15] Fred Hirsch and John Goldthorpe have edited a volume, *The Political Economy of Inflation* (London: Martin Robertson 1978; Cambridge: Harvard University Press 1978), based on a conference held at Warwick, U.K., in May 1977. Charles Maier and Leon Lindberg are leading a Brookings project on "The Politics and Sociology of Global Inflation," which is to yield a book that may appear in 1979.

[16] Goldthorpe, "The Current Inflation: Towards a Sociological Account," in Hirsch and Goldthorpe (fn. 15), 210-12.

[17] Hirsch, "The Ideological Underlay of Inflation," in Hirsch and Goldthorpe (fn. 15).

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Work such as that of Goldthorpe, Hirsch, and Tufte suggests numerous complementary paths of research for historians, political scientists, and sociologists. Changes in the roles of governmental institutions, such as political parties and central banks, should be explored on a comparative historical basis.[18] The behavior of trade unions needs greater attention. We need to understand more fully the calculations of union leaders in pressing for higher wages even when higher prices will result: under what conditions, or in what countries, are they merely trying to keep up with anticipated rates of inflation or with other unions, and when and where do they attempt to change income shares fundamentally? The causes and effects of union militancy should be further investigated.[19] The effects of "corporatist" as opposed to "pluralist" forms of politics may shed light on the effectiveness of macroeconomic policy as well as on questions of "ungovernability."[20] Even more broadly, an investigation of class inequalities and the changing legitimacy of status differentiations in advanced industrial societies could contribute to our understanding of changing power relations that affect inflation and unemployment.[21]

Little systematic work has been done thus far on the *international* political sources of inflation. At one level, international processes can be seen as "transmitting" domestically generated inflation.[22] It would be valuable to have a political analysis of this process of transmission. Under what circumstances are governments more or less inclined to accept "imported inflation"? To what extent is inflation permitted, or limited, by the nature of the international monetary regime—itself largely the product of politics? If the influence of the international regime is "essentially accommodative," what are the reasons?[23]

See also Hirsch's brilliant book, *Social Limits to Growth* (Cambridge: Harvard University Press 1976).

[18] See Charles S. Maier, *Recasting Bourgeois Europe: Stabilization in France, Germany, and Italy in the Decade after World War I* (Princeton: Princeton University Press 1975), and Maier's comments in Lawrence B. Krause and Walter S. Salant, eds., *Worldwide Inflation: Theory and Recent Experience* (Washington, D.C.: The Brookings Institution 1977), 668.

[19] For an interesting effort in this direction, see Hibbs (fn. 3).

[20] See in particular the work of Philippe Schmitter, esp. "Still the Century of Corporatism?" in Frederick B. Pike and Thomas Stritch, eds., *The New Corporatism* (Notre Dame, Ind., and London: University of Notre Dame Press 1974), 85-131, and "Interest Intermediation and Regime Governability in Contemporary Western Europe," paper prepared for the American Political Science Association convention, Washington, September 1977.

[21] For an imaginative exploratory effort, see Goldthorpe (fn. 16).

[22] A recent systematic analysis of international transmission of inflation from an economic viewpoint can be found in Walter S. Salant, "International Transmission of Inflation," in Krause and Salant (fn. 18), 167-227.

[23] Hirsch, "The Ideological Underlay of Inflation" (fn. 17), attributes this accom-

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More fundamentally, we should consider the impact of changing international power relations on inflation. The oil "price revolution" of 1973-74 contributed to inflation as well as to unemployment in the advanced industrial countries. The sharp increase in oil prices reflected a decline in the influence of the United States, its allies, and their international oil companies on the structure of oil pricing and the governments of the OPEC countries. Oil is certainly distinctive, if not unique; yet it is quite important enough, in itself, to suggest a strong link between shifts in international power relations on the one hand, and inflation and unemployment on the other. Insofar as economic stagnation is accounted for by increases in the price of oil, we will need to incorporate international political explanations for those increases into our analyses of macroeconomic failure.

Analytical success will not necessarily contribute to more effective governmental policies. Certain problems or contradictions may be fundamental, and thus immune to the remedies of policy science. Critical analysis may even compound the difficulties of elites if it leads to greater public skepticism about the ability of governments to harmonize democracy with capitalism. I am not proposing that political scientists simply replace or join with economists as the new policy wizards.

Combining politics and sociology with economics is likely to contribute to better understanding of macroeconomic behavior. Economic analysis alone is unlikely to yield an adequate explanation of the economic troubles of advanced states. Economists will need more help from their fellow social scientists than they have sought, or been offered, in the past.

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modative stance to the high priority given by major capitalist governments and the International Monetary Fund to a liberal international economy. Inflation is thus seen, in part, as the price paid for liberalism.

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PEOPLE IN VILLAGES:
Micro-level Studies in Political Economy

By ROBERT H. BATES

Walter Barrows, *Grassroots Politics in an African State: Integration and Development in Sierra Leone*. New York: Holmes and Meier; London: Africana Publishing Co., 1976, 265 pp., $25.00.

Björn Beckman, *Organizing the Farmers: Cocoa Politics and National Development in Ghana*. New York: Holmes and Meier; Uppsala: Scandinavian Institute of African Studies, 1976, 299 pp., $16.20 (paper).

John Dunn and A. F. Robertson, *Dependence and Opportunity: Political Change in Ahafo*. African Studies Series 9, New York and London: Cambridge University, 1974, 400 pp., $21.00.

James R. Finucane, *Rural Development and Bureaucracy in Tanzania: The Case of Mwanza Region*. New York: Holmes and Meier; Uppsala: Scandinavian Institute of African Studies, 1974, 192 pp., $12.50 (paper).

Donal B. Cruise O'Brien, *Saints and Politicians: Essays in the Organization of a Senegalese Peasant Society*. African Studies Series 15, New York and London: Cambridge University Press, 1975, 213 pp., $13.95.

Maxwell Owusu, *Uses and Abuses of Political Power: A Case Study of Continuity and Change in the Politics of Ghana*. Chicago and London: University of Chicago Press, 1970, 364 pp., $12.75.

James C. Scott, *The Moral Economy of the Peasant: Rebellion and Subsistence in Southeast Asia*. New Haven: Yale University Press, 1976, 246 pp., $15.00.

I. Introduction

IN recent years, social scientists have produced studies of village communities in the developing areas which, on the one hand, exceed in scope the classically narrow focus of social anthropology, while on the other remaining more intensively micro-level than is traditional for works in political science. This new genre is now large enough to warrant description and appraisal.

I should note at the outset that this essay is primarily intended to give structure to the new literature and not to criticize it. In keeping with this purpose, I may be ascribing greater clarity to some of these works than they in fact possess, and I have occasionally withheld crit-

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icism where it is in fact warranted. I have placed greater importance on trying to impart structure and coherence to this new literature than on trying to point out its deficiencies.

In section II, I examine the central issues that characterize this literature, and note a series of debates that run through it. Taken in conjunction, the debates underscore apparent inconsistencies which, in section III, I attempt to define and resolve. I conclude by specifying a research agenda for this emerging subdiscipline.

II. The Central Concerns of the Literature

Micro-level studies are characterized by their attempts to analyze the politics of the developing nations through an examination of local communities (which in the cases reviewed here are rural ones), their environment, and the relationships they bear to their environment. More explicitly, the studies attempt to analyze the politics of the developing areas by seeking answers to the following questions:

With respect to the environment: From the point of view of the residents of the rural communities in the developing areas, what features of their political and economic environment make the most significant impact upon their welfare? How can this environment best be characterized?

With respect to the local community: What are the most significant features of the structure of the local community? What do its members want? What appears to determine their behavior? In particular, what appears to determine the way in which they respond to the dominant forces intruding from the environment of their communities?

With respect to outcomes: What evaluations are to be made of the development process on the basis of the evidence disclosed in these studies? And on what grounds are such normative judgments to be formed?

A. The Environment of the Rural Communities

The external forces that appear to make the strongest impact on the local village communities and most critically to determine the welfare of the people therein are two in number; they are the state and the market.

Scott examines the formation of the colonial order in Southeast Asia, the creation of new institutions and, especially, new forms of local administration and taxation, as well as the resultant disruption of the

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political economy of the villages. He also analyzes the spreading commercialization of agriculture and the move to a cash-crop economy, geared to production for the world market. He relates the peasants' political and economic behavior to their attempts to maintain their well-being in the face of what they experience as uncontrollable fluctuations in that market; in particular, he focuses on the rebellions associated with the Great Depression. Similarly, O'Brien analyzes the rise of French colonialism in western Africa and the penetration of world markets into the Sahelian countryside; he too identifies colonial intervention and cash-crop production as the major exogenous forces determining the course of politics in the area. Dunn and Robertson and Maxwell Owusu retell the story in a Ghanaian setting, describing the growth of the colonial order in this small segment of the British Empire and focusing on the response of local villagers to the rising demand for cocoa in the world's commodity markets.

Again and again, micro-level studies designate the state and the market as the sources of the major exogenous shocks that set social and political forces moving in the rural areas and that thereby account for much of the political activity among the agrarian population of the developing nations. What is particularly interesting, however, is not the existence of this consensus; rather, it is the debate that emerges within it concerning the best ways in which to characterize these forces and the nature of their impact.

One debate centers on the question whether, in their encounter with these external forces, rural folk are willing accomplices or passive victims. Within the marketplace, rural dwellers are rarely rich; many of the benefits of their exchanges in the world market are captured by others. And within the state, rural dwellers do appear to lack power; the policies of states, as recorded in these volumes, cannot have been constructed with their interests primarily in mind. Surely then, they ought to be seen as victims. The thesis of victimization is most strikingly developed by Scott, who, as his main task, examines the moral economy of the peasantry, which he defines in part as "their working definition of exploitation" (p. 4). In his conception of peasant victimization, Scott is of course joined by a host of others; the notion of the peasant as victim is a central theme in this field.[1]

And yet, a strong countercurrent runs through these studies: one that

[1] Perhaps the best review and critique of this literature is contained in Samuel L. Popkin, *The Rational Peasant: The Political Economy of Rural Change in Vietnam* (Berkeley and Los Angeles: University of California Press 1978). The book is also important for the contribution it makes to developing rational models of *collective* behavior in peasant society.

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emphasizes the willingness and ability of rural folk to manipulate and exploit external forces—to conjure them up, even, and to channel them in directions that redound to their advantage. Thus, the inhabitants of Ahafo (who form the center of Dunn and Robertson's study) actually called in the British colonists in order to advance their cause in their political struggles with the Ashanti. The book is also concerned with the energies the people of Ahafo have expended to mine their forests for products of value in the international market. Similarly, the Wolof peasants studied by O'Brien entered into a political alliance with the French so as to protect themselves from the slave traders; and their efforts to promote the peanut trade in Senegal, and to influence the locational decisions of French transport planners, constitute evidence of the strength of the capitalist ethic in this supposedly pre-market society.

The evidence of these studies thus falsifies any notion of the peasantry as a passive victim. The problem of reconciling the poverty of the peasants with their proven canniness as politicians and entrepreneurs will therefore continue to stimulate debate concerning the proper characterization of their encounter with the political and economic forces that have intruded upon them.

A second debate centers on the proper characterization of the state: Is it a monolith or an arena for political competition? The various authors appear to be fundamentally inconsistent in their own minds as to what the answer should be. Finucane, for example, repeatedly stresses the lack of meaningful political participation in the Mwanza district of Tanzania. But the material he presents in his discussion of the role of the parliamentarian suggests that real resources are at risk in the political system, that elites compete in efforts to supply these resources, and that rural dwellers exploit this competition in order to elicit material benefits from the state.

The image conveyed by O'Brien is even more inconsistent. In chapter four, he documents the successful monopolization of rural markets by the state and its consequent ability to extract surpluses from the peasant economy; in chapter five, however, he describes the spirited political rivalries among the national elites of Senegal and the enormous diversions of public resources to the countryside that result from the efforts of the rural dwellers to exploit these rivalries. Beckman, in his sixth chapter, reveals a similar ambivalence.

Conflicting evidence thus leaves open the debate concerning the proper characterization of the state. The stakes in this controversy are high. For if the state is a monolith and is impervious to the wiles of

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the peasantry, a necessary condition is fulfilled for a class analysis. But if the state is a competitive arena, the peasantry can more properly be viewed as one of several interested claimants for public resources; in that case, the peasantry is an interest group. Depending on the way in which the debate is resolved, then, very different kinds of analyses and normative judgments will obtain. In section III, I entertain a heretical middle ground and examine the possibility that the state can be *both* a monolith (on the revenue side) *and* an arena for competitive politics (on the expenditure side), and I show how such a realization clarifies many of the ambiguities in these studies.

The last item of controversy concerns the proper characterization of the market. Again, the debate tends to collapse around an oversimplified set of choices. On one side, some authors—in the case of the books at hand, Scott in particular—tend to see the market as a milker of rural resources. On the other, Owusu and Dunn and Robertson view the market as a provider of material benefits. Naturally, however, the market is both things, for it is an arena for exchange. In the literature at large, taste and ideological predisposition tend to determine which side of the exchange receives primary emphasis. As the debate is based so largely on differences in values, it promises to be interminable, and will therefore continue to provide a central focus in the field.

B. THE LOCAL COMMUNITY

1. *Social structure and resource allocation.* The first set of questions focuses our attention on the interactions between the local community and its environment; the second set leads us to search more closely *within* the village setting. Through this literature we are introduced to a highly diverse cast of characters and vigorously conflicting sets of interests. Naturally, there are the peasants: some merely subsist, some produce for the market, and some alternate between these roles. Some have large farms, and some have small ones; some own capital equipment, others do not. Among the persons without farms, the landless laborers are the most significant. There are traders: some sell products from the city, some buy produce from the farm, some do both; many offer credit. There are religious leaders. There are headmen and chiefs. There are also "strangers" and "sons of the soil"—immigrants and citizens of the local areas. Among these social categories, there is little identity of interest. The scarcity of land induces conflicts among them; so do questions concerning relative prices in the marketplace and the distribution of the costs and benefits of public programs.

Aside from concurring on the diversity of interests in the countryside,

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the authors of these micro-studies agree that social rank constitutes the most significant dimension for differentiating among these groups. Scott distinguishes principally between the landlords and tenants, and the patrons and clients, in Southeast Asia. For Owusu, Barrows, and Dunn and Robertson, the chief emerges as the principal elite figure in the West African countryside; for Finucane, it is the bureaucrat or the prosperous farmer. To Western minds, O'Brien's saints will no doubt be most intriguing: religious leaders of the *Tijaniyya* sect in Senegal who combine agrarian wealth with political savvy, and thus emerge as the machine politicians of the rural sector of that nation. All of the authors designate disparities in wealth, power, and social status as the primary basis for the diversity of interests in the rural areas of the developing nations.

A major issue then arises in this literature: Does inequality—which, as all agree, exists—imply exploitation? The answer appears to depend upon the degree of competition within the highest stratum. When competition within the rural elite is constrained, the less privileged are exploited. When the members of the elite have to compete for positions of prominence, however, rival claimants for elite status must use their positions of prominence to extract and distribute benefits and thereby build a following. Competition within the elite thus counters the potential for exploitation. The contrast between the period of colonial rule and the period of nationalist politics is illustrative of the importance of these considerations.

In Africa, colonial officials implemented measures that curtailed the degree of competition for chiefly office. In one particularly striking illustration, Barrows shows how the British invented the "traditional" rules of succession of office—rules that made the accession to office contingent upon a genealogical order of succession rather than upon securing the support of a majority in the relevant public councils.[2] A similar pattern prevailed in Southeast Asia: according to Scott, as competition for elite positions decreased in the colonial period, the elites

[2] As a result of isolating the process of succession from the distribution of preferences among the kingdom's citizenry, the rigid rules of genealogical determinism permitted the adoption of unpopular policies. Ironically, while the rules were adopted in part to increase predictability in public affairs, they did in fact lead to radical shifts in public policy. The rules determined who secured office but did not determine what the officeholders' policies would be. Under more democratic procedures, of course, the content of policy would be determined—it would be the policy of the legendary median voter; the winning candidate would be indeterminate—it would be whoever selected the median policy position. See Phyllis Ferguson and Ivor Wilks, "Chiefs, Constitutions, and the British in Northern Ghana," in Michael Crowder and Obaro Ikime, eds., *West African Chiefs: Their Changing Status Under Colonial Rule and Independence* (New York: Africana Publishing Company 1970), 326-69.

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were able at last "to realize the full exploitative potential of their bargaining power . . ." (p. 65)—a potential which, he feels, had previously existed but had never before been fully realized.

The colonial period was thus characterized by elite cohesion and a movement from inequality to exploitation. One major result was rural rebellion and the participation of rural dwellers in the mid-century nationalist movements. Their prime objective, by all accounts, was the desire for access to resources whose allocation was controlled by the more privileged stratum; as a major technique, they engendered competition between members of the rural elite. In Sierra Leone and Ghana, for example, rival factions contested for chiefly thrones; many chiefs failed to serve out their full terms of office; and all contestants apparently felt compelled to deliver benefits in the form of jobs, money, public works, or legal commitments. In Senegal, O'Brien reports, the followers had strong expectations of material benefits from their "saints"; "where this hope is consistently disappointed, in the last resort they may (and do) change their allegiance to a more favorably placed local leader; no saint can afford a record of failure . . ." (p. 177). In Southeast Asia, patrons appeared to compete for clients and strove to generate benefits with which to secure popular backing. Inequality remained; but competition for privileged positions within the system of rural stratification appeared to generate benefits for the relatively disadvantaged.

In the post-independence period, the pattern of competition and participation took place in the face of public policies designed to discourage it. The formation of single-party states, the administrative selection of local government leaders, the formation of bureaucratic monopolies to administer the trade and taxation of agricultural products—these were measures through which Ghana, Senegal, Tanzania, and other states sought to reduce competition, curtail participation, and thereby achieve the ability to implement policies that allowed them to appropriate the revenues generated by the peasants' production. It is not clear how successful this strategy has been, either in constraining participation or in contributing to major income transfers from the countryside. The present studies document that at both the national and local levels, competition among elites persists. They reveal the tendency for dissident national and local elites to form alliances and to compete for support in the rural sector; indeed, the analysis of these alliances forms the core of Barrows's and O'Brien's books. The result of this competition is the distribution, through public channels, of major amounts of resources in the form of credit, jobs, material benefits, and

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public works. Rural participation persists and material benefits are provided for the peasants—even while pricing and taxing policies are implemented that violate their interests. Official measures seek to constrain the peasants' ability to use agencies of political participation to oppose these policies. Again, the conflict between the images of exploitation by the state and its provision of benefits remains a major puzzle in this literature.

2. *Models of peasant behavior.* In focusing scholarly attention upon the rural sector of the developing areas, micro-level studies emphasize the structure of rural communities and illustrate its importance to the allocation of material resources. In adopting a micro-perspective, the authors of these studies also tend to focus upon individuals and individual behavior, albeit often while using the family or household as the basic unit of analysis. They employ a variety of models of individual behavior. The use of such models is significant since the selection the authors make among alternative representations is in itself informative; moreover, the use of models makes it possible to relate diverse and seemingly unconnected areas of behavior and to form testable propositions.

In explicitly formulating models of individual behavior, the students of micro-level politics make a significant choice right at the start: they unanimously discard the image of traditional man that has so often been used in the development literature. The peasant who would fail to innovate for fear of violating some time-honored practice; who would pass up an opportunity for individual gain out of regard for the welfare of the larger community; or who is so imbued with religious values that he would shun the attractions of material progress—none of these figures is to be found in these studies. And where related figures are found, as in O'Brien's study of the Mouride brotherhood, they are treated with deep skepticism.[3] Rather, the kind of rural dweller encountered in these micro-studies is a person making choices out of a regard for his own interests.

[3] It has been pointed out that Scott's model does emphasize unwillingness to innovate, other-regarding behavior, and shunning of material gain. True. But Scott's model is one of individual rationality, and it allows him to derive and to account for these kinds of behavior. He attempts to explain them, rather than positing them as inherent tendencies. In this, Scott differs from earlier writers on "traditional man," who built similar behavioral tendencies into their basic model. Unlike his predecessors, Scott is able to argue that under different circumstances, persons behaving in the risk-averse manner he describes will no longer insure themselves by observing the norm of reciprocity, etc.; when such behaviors are built into the model, however, there is no latitude for predicting that they will change. Scott's approach can thus be considered to be qualitatively different from that of his predecessors, despite the apparent similarities.

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Within this revisionist position, however, there are basic differences. For Owusu, the appropriate model appears to be one of income maximization. The desire for greater income, he argues, led the peasants of Swedru (the rural area which he studied) uncritically to embrace the economic opportunities presented to them by the world market for cocoa and to engage in political action in pursuit of material gain. In Ghana, Owusu notes, "Political power was not sought for its own sake; even Nkrumah's 'Seek ye first the political kingdom' was only a means to all the good material things which 'shall be added unto' Ghanaians. . . . Political relations seem to have had no meaning except in terms of property and wealth" (p. 171).

It is clear why Owusu is tempted to posit income maximization as an appropriate objective. In Swedru—as in Ahafo, Senegal, Mwanza, Burma, and Vietnam—many of the fundamental political conflicts do indeed reduce to struggles for greater income and for the resources by which it can generate. The price of agricultural products and manufactured goods, the level of rents and taxes, the provision of roads, markets, and public services—these are among the fundamental political issues in the countryside, and all gain their importance primarily through their impact upon personal incomes. In recognizing the importance of economic self-interest in rural politics, and in positing that people make choices so as to enhance their incomes, Owusu, Barrows, and others specify a highly plausible approximation of a valid model of peasant behavior.[4]

It is instructive, however, that Owusu repeatedly appears to find his model of income maximization too confining; again and again, he slips over into a model of *utility* maximization which holds that the primary objective of the residents of Swedru was not greater income, but the increased satisfaction they would derive from the increased consumption of the good things of life. Indeed, Owusu at one point contends that the primary goals of rural dwellers are "high status, social recognition, and social dignity" (p. 5); the attempts to gain increased income represent attempts to gain the resources through which better to achieve these ultimate objectives.

The distinction is important, for utility maximization and income maximization constitute sharply different models and create different expectations about how people will behave; we should be able to choose between them. Do people in fact surrender opportunities for increased

[4] I have used this model myself, and am therefore subject to the same criticisms that I will make of these other works. See Bates, *Rural Responses to Industrialization: A Study of Village Zambia* (New Haven and London: Yale University Press 1976).

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income out of a regard for other values? Do they work, for example, until the monetary value of their marginal product is zero? Or do they place a positive value on other uses of their time? Can they be compensated for losses of income by higher office or enhanced prestige? Particularly in the area of politics, the models create different expectations. Presumably there are circumstances under which an income-maximizing politician would sell his policy position to the highest bidder. Depending on his preferences, there are conditions under which the utility-maximizing politician would refuse such bids. If he derives satisfaction from holding office, he would not accept a bribe to adopt a position that would threaten him with loss of office. Alternatively, he would refuse a bribe if it were intended to secure his active opposition to a policy to which he had a strong personal commitment. Owusu's study and others suggest, alas, that there is ample opportunity to test out these divergent expectations.

Another modification of the income-maximization model should be considered, and this is where Scott's book makes its fundamental contribution. Alternatives, and in particular alternative incomes, do not present themselves with certainty; rather, they come with probabilities attached. In light of this, Owusu's initial position could be modified to hold that, behaving as income maximizers, rural dwellers would choose among alternatives so as to maximize their *expected* incomes. Scott would register a sharp dissent. He contends that many peasants cannot really afford to gamble. They are poor and they must safeguard their level of subsistence. As a result, they would choose among uncertain alternatives not only in terms of their expected values but also in terms of their dispersions. An alternative which has a greater expected payoff, but also a greater probability of driving a peasant below his subsistence level, will, according to Scott, be forsaken for one which on average promises less, but which would guarantee a minimum subsistence level.

Scott's revision of the income maximization hypothesis succeeds in some areas where Owusu's position fails. On average, peasants would do better monocropping; instead, they often tend to mix their crops. As a result, they often do less well, but they also less frequently starve. On average, most peasants would be better off with consolidated fields; but many prefer to hold scattered plots, each with a different type of soil. Again, the result is a lower average income, but a hedge against "downside risks." Instead of specializing in cash crops, most peasants devote part of their resources to making subsistence gardens, thus lowering their average income but insuring themselves against starva-

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tion. These and many other well-known features of rural economic behavior defy a model based upon the maximization of expected income; but they conform to the expectations generated by a model of utility maximization that makes allowances for an aversion to risk.[5]

When applied to agrarian politics, the notion of risk aversion is also useful. Clearly, peasants do organize politically in efforts to transfer risks. Farmers everywhere have favored government guarantees of minimum prices and the public subsidization of the risks of farming; in the United States, the public has paid an enormous price to fulfill these demands. Moreover, as Scott argues, peasants appear to prefer variable as opposed to "straight line" taxes; progressive taxes, for example, may levy more on average, but they are forgiving of peasants laboring near the subsistence margin. And peasants have repeatedly sought political intervention to modify contracts that threaten to drive their members below a guaranteed subsistence level, be they mortgages, tenancy agreements, or the investiture of private rights on public commons (Scott, 29ff.). A model of risk aversion clearly offers insight into the political as well as the economic behavior of peasants.

Scott's model thus holds great promise. But it must be handled with some caution. When taken to an extreme, it does break down. And, although one may agree with—and applaud—this model in its essentials, it does seem incomplete.

Scott's model cannot be interpreted to imply that, if an alternative poses any finite probability of going below subsistence level, it will not be chosen. When taken to this extreme, Scott's model would suggest that peasants make no use of information regarding relative probabilities, and it would predict inaction. Rather, the model must be construed as stating that peasants will prefer those alternatives which offer the

[5] At this point we may note that Scott and many others are guilty of a major error. Peasants, it is contended, seek to keep the external market at arm's length and to use only local markets; for, it is held, the external market is subject to uncontrollable fluctuations. It is true that fluctuations cannot be controlled in the larger, external market; but they will be smaller. If it is risks that the peasants seek to avoid, they should therefore prefer to trade in larger markets.

The reasons the fluctuations will be smaller are as follows: concentrating on the supply side, say that the primary determinant of the level of supply is the occurrence of droughts. The larger the market, the greater the chance that at least some suppliers will be spared; products can then be moved into areas where they are relatively scarce and therefore command higher prices; this movement will continue to take place until the products command the same price everywhere, save for the cost of transport. The result of the movement of goods is thus a dampening of the rise in prices. Where the market is small, however, the chances are greater that all suppliers will be affected, and no movement of goods could reduce the rise in prices. Although this extreme case is rare, insofar as it is approximated, price rises will be greater. If they prefer small fluctuations, peasant consumers would then prefer larger markets.

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lowest probability of driving them below a particular income level. If his analysis is to be useful, probabilities must feature in his analysis.

Moreover, Scott's model should not be construed as arguing that peasants will minimize the probability of falling below subsistence *at any price*. For we know from O'Brien's study that, when the expected returns become sufficiently high, the Wolof peasantry did specialize in cash-crop production; moreover, they accepted the risks of monocropping.[6] And Beckman's study reveals that the Ghanaian peasants refused in 1954 to take a four-year guaranteed price for their cocoa when the guaranteed price was below what they expected the world price to be. The levy proposed by the Ghana Government would have smoothed the farmers' income streams; however, it depressed their average incomes, and Beckman's account shows that the farmers therefore resisted it. In other words, the evidence suggests that peasants evaluate alternatives in terms of *both* moments of the income distribution. If the mean of one is high enough relative to the other, even risk-averse people may prefer it despite the fact that it may have a higher variance; for the advantage in its expected value may more than offset its disadvantage in terms of the greater probability it offers for a low return. Scott's model thus becomes invalid if it is construed as meaning that only the variance counts.

It must be noted that Scott does not take either extreme position, although he occasionally comes close. But his model does contain one flaw which is closely associated with the last point: it fails to predict that, for a very high return, peasants will in fact gamble. What, for example, could have been more of a gamble than to join in the very revolutions he describes? Did not the movement into the unoccupied lands of Chochin China represent a gamble? Is not urban migration a gamble? The fact that peasants do rebel, resettle, and migrate suggests that a model of pure risk-aversion is not a valid one. Rather, on the evidence presented, it should be modified to approximate a model of the Friedman-Savage type: one that posits a utility surface with risk-averse properties at low income levels, and risk-preferring ones at higher incomes.[7]

3. *Discussion*. These models are important because, in their simplicity, they are general; areas that are conventionally regarded as unrelated, such as cropping patterns and revolution, can be related to each other

[6] Reports indicate that the Senegalese peanut farmers consume *imported* rice. I am indebted to Bruce F. Johnson for this point.

[7] See Milton Friedman and L. J. Savage, "The Utility Analysis of Choices Involving Risk," *Journal of Political Economy*, Vol. 56 (August 1948), 270-304.

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and subsumed under a more comprehensive analysis. They are relatively powerful; through the use of evidence, we can falsify them. And they allow the beginning of the construction of theory in this area of developmental politics; that, to my mind, is what the enterprise is about.

While obviously applauding the introduction of models of individual choice into this literature, I must express one major reservation. It is appropriate that I do so within the context of this section of the paper, for my objection pertains to the relationship between social structures and individual preference. The point is a simple one: there is a gap between collective and individual behavior that is treacherous and must be crossed with great care. While we may agree with Scott, for example, that peasants are risk-averse, we would be on shaky grounds indeed if we agreed with him that they *therefore* develop social institutions for minimizing risks.

There are several reasons why we cannot simply attribute the properties of rural institutions to the preferences of the peasants. As with most of us, so with the peasants: especially where people have the same preferences, in a world of scarcity, individual interests must conflict. We therefore cannot assume, as Scott appears to, that peasants can simply agree upon a set of social institutions to secure their common objectives. Moreover, there is little reason to suppose that rational individuals can attain socially rational outcomes. In instances where the free-rider problem exists, social and individual rationality will in fact conflict; unfortunately for the argument of Scott and others, it is precisely in the realm of politics that this problem is paramount. Finally, even if social institutions were in some way expressions of the values of society's members, the preferences of the individuals would not be sufficient to explain the existence of any particular institution. To cite an example that is not all that far-fetched, given current policy proposals in Ghana: futures markets and extended families both are means of insurance; and knowing that Ghanaian cocoa farmers are risk-averse would not explain why they take recourse to the one but fail to employ the other. For a variety of reasons, then, it is not wise, and it is probably wrong, to impute the properties of social institutions to the preferences of society's members, as Scott, for instance, repeatedly does in his work.

How, then, should we proceed? The best way is simply to avoid such reductionism. Institutions and individual preferences should be independent elements of equal standing in the arguments we wish to advance, and by combining information about both, we can seek to explain collective outcomes. For example, knowledge of the rules of landholding can be combined with information concerning the risk-

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averse tendencies of peasants to show how they insure themselves against climatic variation. Or our knowledge of the rules of genealogical succession can be pooled with information concerning the peasants' preferences to explain succession to chiefly office, and thus the choice of public policies in rural settings. Clearly, we are better off with models of individual behavior than we are without them. But it is also certain that we are on sounder ground when we combine such models with information concerning social rules and institutions than when we seek to treat social structures as "expressions" of the values of the individual members of society.

C. NORMATIVE RESPONSES

Finally, this literature is concerned with formulating normative judgments. Having examined the encounter of rural dwellers with the forces of the market and the state, the authors seek to judge the outcome of that engagement. In particular, they share a deep interest in the normative implications of two central phenomena in the development process: the use of coercion and the rise of inequality.

As the books make clear, the rural dwellers' encounters with the state are often unpleasant. In particular, governments can compel villagers, through a variety of devices, to surrender resources for the purpose of financing public economic programs. Coerced savings—in the name of development—are a prominent feature of the peasants' encounter with the state; they give rise to important questions of ethical justification.

In principle, the role of coercion in the amassing of savings for economic growth should pose few ethical difficulties, for, *in theory*, people would vountarily consent to be coerced to save in order to maximize their own satisfaction. To secure the largest feasible stream of per capita income over their planning horizon, and thereby to maximize their welfare, the members of a society must save and invest at a rate that insures that objective. But the welfare of future generations, which all supposedly value to some degree, possesses the properties of a public good. As a result, no matter how large the value placed on the welfare of future members of the society, the optimal rate of savings and investment could be chosen in a decentralized manner only under an extremely implausible set of assumptions. Coercion is thus inherent in the development process, and people could reasonably agree to be coerced to save so as to attain higher levels of satisfaction.[8]

[8] See, for example, the argument presented in Stephen Marglin, "The Social Rate of Discount and the Optimal Rate of Investment," *Quarterly Journal of Economics*, Vol. 77 (February 1963), 95-111.

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In reality, of course, the ethical questions are more difficult. When separate economic sectors enter the picture, and in particular when the rural sector is considered, fundamental problems arise. Almost inevitably, development entails the transfer of resources from one sector to another; certainly, the transfer of resources from agriculture to industry has been a classic feature of the development process. With redistribution comes the end of voluntary consent as a basis for justifying coercive levies. The challenge then arises of developing a social philosophy that would give an ethical foundation for forced savings. It is obvious that we are far from possessing such a doctrine.[9]

The present studies do not dwell at great length on the special problems of agriculture in the development process, however. Rather, on the basis of the materials that they compile, they argue the general case. They do so on two principal grounds. The authors exhibit a profound skepticism concerning the *ability* of the governments of the developing nations to select the level of savings and investment that would generate an optimal consumption program. Beckman, for example, documents the near-disastrous performance of the Government of Ghana in its attempts to select an appropriate investment program. More strikingly still, virtually all of the writers query the *willingness* of these governments to select a socially optimal development program, as opposed to one that simply maximizes their own economic advantage. Naturally, the rural dwellers themselves share in this skepticism. With the growth of such reservations, the consensual basis for public savings erodes. The ethical basis for coerced levies thus remains to be established.

One debate thus revolves around the issue of coercion and is primarily concerned with the encounter between the peasants and the state. Another focuses primarily on the encounter between the peasants and the market; it centers on the issue of inequality. The basic question is compelling: would the transformation from a subsistence economy to one based on market exchanges receive ethical assent?

The authors of these studies would all agree that peasants did not resist the intrusion of the market. Acting on the basis of perceived

[9] It has been argued that the transfer of resources out of agriculture should receive the assent of the rural dwellers themselves, as they or their descendants will share in the benefits of the economic growth which these resources engender. But this argument assumes the very thing whose absence made coercion inevitable in the first place: the ability of a high regard for the welfare of future generations to induce voluntary savings. In other words, it ignores the public-goods feature of the welfare of future generations.

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self-interest, rural dwellers apparently embraced the opportunities initiated from without. The peasants have found, in the words of Dunn and Robertson, the results to be both "pleasant" and "useful." Materially, most are better off. But are they morally so? Dunn and Robertson doubt it. And, according to Scott, many of the peasants themselves would not think so either. While benefiting from the market, he contends, they nonetheless feel morally violated.

At the basis of the arguments of Scott, Dunn and Robertson, and others are questions involving self-interest, ethics, and the distribution of income. Self-interest instructs that when you see your opportunity to become better off, you should take it. But ethics places requirements on choices made in the absence of clear information about where one's self-interest lies. Scott and Dunn and Robertson argue that, before the arrival of the market, peasants lived in an egalitarian state in which few, if any, were rich, but no one starved. If they had been told that the result of their embracing the market was that inequality would arise, and that they would come to occupy with equal likelihood any one of the positions in the resultant wide-ranging distribution of income, would they have chosen to enter this new economic order? If, in the absence of knowledge about what their own incomes would be, they would have chosen to enter, then, the authors appear to argue, they would be behaving morally. But on what grounds would they have made such a choice?

Scott offers a model for such a choice that is near-Rawlsian in nature. To gain the approval of peasants, he argues, the new economic order must insure that the poorest in the new order would be no poorer than he had been in the society that guaranteed his subsistence. Because the world market offers no such guarantee, Scott argues, it violates the peasants' sense of ethics. Naturally, there are other viewpoints on this matter. Persons insensitive to the difference between the incomes of the very rich and the very poor could take a utilitarian view: if, on average, people are better off in the market economy, they have made a correct choice in entering it. Economists who look to efficiency as the major criterion for choice would be inclined to take such a position. Another criterion could be that the choice would be ethical only if, when any person was confronted with the benefits (or lack of benefits) reaped by another, he would be willing to change places with that other person. That is the criterion which Dunn and Robertson apparently apply.

Would the transformation from a subsistence economy to a market

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economy receive ethical assent? The central position of such normative issues in this literature is one of its major attractions.

III. Some Conflicts Resolved

I have isolated the major issues that underlie the literature under examination and that dominate much of the intellectual discourse within it. In outlining these debates, I have noted a variety of inconsistencies. Sometimes these arose in the form of differing viewpoints among authors; at other times they arose as seeming confusions within the writings of a single author. Taken together, they form a series of paradoxes that invite exploration.

There can be no doubt but that the regimes in the developing areas seek to capture major portions of the profits of peasant production. They maintain a tariff structure that in effect represents a tax on rural exports for the world market. They tax exports directly. They make numerous levies on the sale of cash crops. And in Senegal, Ghana, and Tanzania, they help to perpetuate monopsonies so as to force unfavorable prices on the producers and thereby capture a major portion of the gains from trade.

Despite all this, to a surprising degree, the peasants have not made the structure of taxation, tariffs, and prices the major issues in the rural politics of these areas. Clearly, for a time these issues were important in Ghana. The Convention People's Party (CPP) initially won votes in the cocoa region on the issue of cocoa prices, and later lost votes in this region when it failed to reverse the pricing policies of its colonial predecessors. What is striking, however, is that Ghana appears to represent an exception; even more to the point, the CPP was, still later, able to break the opposition in the cocoa-growing areas even while it continued to implement adverse pricing policies.

Could it be that, having been systematically bled by the state, the rural dwellers turned apathetic? Clearly, no. All of the studies disclose enormous expenditures of political energy. Could it be that they are not as materially inclined as we would have it? Again, no. The studies reveal that the peasants will fight over the level and pattern of government expenditure, the quantity and location of public projects, jobs, credit, and other things that represent the material spoils of politics. What would appear to be the case is that the rural dwellers fail to attempt to secure *collective* political benefits or to defend their *collective* interest as peasant producers for the world market; instead, they devote their ener-

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gies to attempts to secure *disaggregated* and *divisible* benefits from the state. It is also clear that the politicians promote this kind of behavior. As a result, we tend to see the politics of spoils rather than the politics of class action.[10]

The incentives for such behavior are clear. As recent works by Olson, Crenson, Mayhew, and Fiorina and Noll have argued, neither producers nor politicians have much incentive to provide collective goods.[11] Politicians cannot distribute collective benefits to their supporters while excluding their opponents; collective goods are thus of little use to them in building political coalitions.[12] The constituents, moreover, have every reason to believe that the politicians cannot control government policies that apply to the development strategies of the nation as a whole, or that affect the national economic structure in its entirety; their political representative represents too small a fraction of the government to have significant influence over such matters. But, on issues like the location of roads, bridges, and clinics—in matters of spoils, that is—they believe that their representative should be decisive in determining the distribution of these things within their constituencies. Although the benefits from tariff reform may exceed the benefits to be gained by the digging of a well, the *expected* return on attempts to influence the representative's stand on the latter kind of issue could easily exceed the *expected* returns on attempts to influence his position on such matters as tariff policy. There is thus less of an incentive to engage in influence attempts in the areas of tariffs, taxes, or pricing policies than there is to engage in the distribution of spoils. And the consonance in the incentives facing

[10] This argument appears most strongly in O'Brien (chaps. 3, 5, and 6), and Dunn and Robertson (chap. 8).

[11] Mancur Olson, Jr., *The Logic of Collective Action* (Cambridge: Harvard University Press 1965); Matthew A. Crenson, *The Un-Politics of Air Pollution* (Baltimore, Md.: The Johns Hopkins Press 1971); David R. Mayhew, *Congress: The Electoral Connection* (New Haven and London: Yale University Press 1974); Morris P. Fiorina, *Congress: Keystone of the Washington Establishment* (New Haven and London: Yale University Press 1977); and Morris P. Fiorina and Roger G. Noll, "Voters, Bureaucrats, and Legislators: A Rational Choice Perspective on the Growth of Bureaucracy" (California Institute of Technology, Social Science Working Paper No. 159, June 1977). The approach is perhaps most completely and convincingly developed by Barry Weingast in his "A Representative Legislature and Regulatory Agency Capture," Ph.D. diss. (California Institute of Technology 1977).

[12] In parliamentary systems, the party in power can clearly behave like the single politican. It controls the government, even though it does not hold 100 percent of the seats. Manipulating the supply of divisible benefits, such as schools and clinics, rather than the supply of collective goods, it can then behave like a discriminating monopolist and provide services only to those who are willing to vote for it. As Dunn and Robertson show, the governing CPP behaved precisely in this way in the cocoa-growing regions of Ghana and so broke the hold of the political opposition (chap. 8, and esp. pp. 327 ff.).

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politicians and the electorate may be sufficient to displace the former set of issues with the latter on the rural political agenda.

Vigorous political competition continues; resources are channeled into the countryside in the form of public projects; and the basic policies that determine the collective standing of the peasantry remain largely off the political agenda, with the result that the peasants remain poor. The diverse images of the state as monolith and as arena for political competition; of peasants as victims and as beneficiaries; of political action and lack of reward; of peasants as rational political actors, and as losers in the political economies of the new nations—these conflicting images appear to be reconcilable when the significance of the distinction between purely public goods and divisible public benefits is recognized.[13]

IV. Conclusion

In this paper, I have explored the dominant topics that characterize micro-level studies of rural behavior in the developing nations. In so doing, I have examined the relationship of the rural communities to the state and to the market. I have also looked within the rural sector and examined the structure of rural communities, the way in which that structure influences the allocation of resources, and the variety of models of individual behavior that have been applied to the study of peasants. I have also discussed some of the ethical issues that arise in the literature, and attempted to resolve some of the basic dilemmas that intrude so strikingly at a variety of points.

Obviously, this new literature is securely launched. It has already established a coherent set of interests, provoked well-focused debates, and investigated in depth several regions of the world whose economic fortunes influence the world markets in agriculture and whose political fortunes have affected us all. In addition, it has given rise to a series of topics for further investigation; these topics constitute the research agenda of this emerging genre.

Relationships with the state and the market: The relationship between the rural sector and the state has barely been examined. The developing nations are overwhelmingly rural in makeup. Why do politicians in these nations so often choose policy positions that appear to violate the interests of a vast majority of their citizens? In the developed nations,

[13] Perhaps the seminal statement of this distinction is contained in Theodore J. Lowi, "American Business, Public Policy, Case-Studies, and Political Theory," *World Politics*, XVI (July 1964), 677-715.

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farmers are a minority and yet are subsidized by the state; in the developing world, they are a majority and yet appear on balance to be heavily taxed. What explains this paradox?

With respect to the rural dwellers' encounter with the market, I would advocate giving up on the interminable debate about which is more important—what is given up in the market or what is received in exchange. More meaningful, surely, are *empirical investigations* of the actual distribution of the gains from peasant production. As part of their micro-studies, scholars should investigate such subjects as the structure and organization of rural markets, the system and incidence of taxation, shifts in the terms of trade between agricultural and industrial products, and changes in the levels, sources, and terms of agricultural credit. Equally as important, they should analyze the manner in which the political system is used to determine these things.

It should be noted that, in studying the market, all of the books restrict themselves to the market for produce but largely ignore the market for labor. That is a major omission, for in many of the rural communities, immigrants represent a major political faction. Urban migrants often return to these communities with new political preferences, and frequently organize to promote their political ideals. Moreover, the fact that emigration is possible places a lower bound on the level of political and economic exploitation that can be achieved by rural elites; variations in the attractiveness of this option thus can help to account for variations in the level of exploitation achieved by rural elites in different peasant communities.

Relationships within the peasant communities: From contributors with anthropological interests, we have a sense of the structure of rural communities in the developing nations; from those more committed to traditional political science, we have a sense of the national political structures. Following in the footsteps of Barrows and O'Brien, we should examine the political alliances between local and national elites and the material considerations that bind such coalitions. Even more, we need to investigate the manner in which the rural elites represent (or fail to represent) the interests of their clients in the bureaucratic process of policy formation, particularly in the areas of planning, taxation, and public expenditure. We know surprisingly little about interest-group politics, insofar as they affect agricultural production in Third-World nations.

Given the variety of models of peasant behavior that are now available, we need a further elaboration and testing of them. For example, a model of utility maximization is vacuous until it specifies the objects

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that give people satisfaction, and the relative weight they place upon them; the variety of local peasant cultures will allow the development of a variety of different specifications. Similarly, "safety first" models are also vacuous until they specify the nature of the minimum which people seek to protect and the degree to which they seek such protection. A more complete working-out of these models, and the beginnings of some rigorous testing, represent obvious next steps in the literature.

In the investigation of ethical considerations, it is clear that perhaps the most attractive direction in which to move is the one staked out by Scott: the investigation of the peasants' own ethical systems. After all, it is their conceptions of justice, fairness, equity, and due process that will largely determine their response to the forced levies and economic redistributions which inevitably occur as part of the development process.

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THE UNDEVELOPED THEORY OF NATIONALISM

By GALE STOKES

Anthony D. Smith, *Theories of Nationalism*. New York: Harper & Row, 1972, 344 pp., $12.00; $3.95 paper.

WHEN one considers the enormous amount of writing on nationalism, it comes as a surprise to discover how thin the theoretical literature is on the subject. Scholars wishing to compare the modern appeals of nationalism and socialism, for example, could spend a lifetime reading abstract treatises on socialism, but probably not much more than a summer on nationalism. Perhaps because of its apparent naturalness, or its pervasiveness, nationalism has never received the kind of intellectual treatment other ideological problems have enjoyed.

One reason for this neglect may be that until a short time ago most of the investigators of the subject have been historians, who as a group tend to be more interested in description than in explanation. Boyd C. Shafer may be the most prominent among those who have recently published histories of nationalism in this tradition. Shafer believes that no single explanation of nationalism is possible, because "national sentiment, nationalism itself, derives . . . from a multitude of forces, pressures, motivations, and from the aspirations as well as the frustrations of people as individuals and of people in groups."[1]

Shafer's great teacher, and perhaps the single most renowned historian of nationalism, Carlton J. H. Hayes, also did not have what would today be called a theory of nationalism. He believed that nationalism was a state of mind akin to religious belief, "an emotional loyalty to the idea or the fact of the national state, a loyalty so intensely emotional that it motivates all sorts of people. . . ."[2] Hayes's belief that nationalism appealed to an inherent religious sense in man—that it was a matter of faith rather than reason—made it easy for him to pass judgment on nationalism's evil fruits, but difficult to explain the phenomenon. Despite reaching an analytical dead end, Hayes did produce a historical typology of nationalism that is still influential. Some historians continue to adjust and refine his categories of humanistic, Jacobin, tradi-

[1] Shafer, *Faces of Nationalism* (New York: Harcourt, Brace, Jovanovich 1972), 228.
[2] Hayes, *Essays on Nationalism* (New York: Macmillan 1928), 94. Hayes's last book (1960) bore the title *Nationalism: a religion*.

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tional, liberal, and integral nationalism, or to invent new categories that take into account developments in the underdeveloped world. Within the past decade, for example, Louis L. Snyder has proposed a regional grouping, and Konstantin Symmons-Symonolewicz has suggested a two-tiered division of the nationalisms of peoples "striving for liberation from foreign rule."[3]

Far surpassing the typologies of these historians, however, is the system constructed by sociologist Anthony D. Smith in his recent book, *Theories of Nationalism*. Smith has constructed a matrix of types of nationalism according to two sets of criteria, which he calls formal and substantive. The "formal" criteria consist of the movement's intensity and achievement—that is, its sophistication, and whether or not it has achieved statehood. On the "substantive" axis, Smith first identifies two basic national claims, territorial and ethnic, and then subdivides according to whether or not the movement speaks on behalf of a group that is already independent. Further refinement of these basic criteria results in the elaboration of 5 categories along the formal axis and 11 along the substantive axis, achieving a matrix of 55 types of nationalism. (Some locations are empty.)

One of the most useful insights Smith achieves in working out this system is the distinction he draws between "ethnocentric" and "polycentric" nationalism. Theorists have always been confused by ancient and medieval movements that looked and acted like nationalism, but took place in an era dominated by some other political culture. By defining modern nationalism as an ideological movement that supports a people's desire to become an independent nation *like other nations*, Smith suggests that today the worldwide political culture is based on the nation as the fundamental unit, whereas in the past this has not been true. Ethnocentric, or pre-modern, movements assumed that their group constituted the sole significant political entity. Modern—or polyethnic—nationalists, on the other hand, assume the existence of an international system of nation-states in which their nation is an active partner.

Through this distinction, Smith avoids the trap of excluding some movements from his typology because they do not fit a definition designed with only the modern world in mind. He simply contends that a movement may be defined as nationalism if its leaders accept certain legitimizing ideals, which he characterizes as the core doctrine. It may

[3] E.g., Snyder, *The New Nationalism* (Ithaca: Cornell University Press 1968); Symmons-Symonolewicz, *Modern Nationalism* (New York: Polish Institute of Arts and Sciences 1968), 50.

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be ethnocentric or primitive, and it may have occurred in the distant past, but it is still identifiable. Thus he is able to include in his matrix not only all the obvious modern cases, but such diverse phenomena as the Zealots, the Canaanites, Carthage, and T'ang China.

At the other extreme, Smith succeeds in finding a place in his typology for movements that seek nation-like integration or independence on a supranational scale, through what he calls "pan movements." Examples include Negroism as a "failed-developed" type, Germany as a "successful-developed" type, and Europeanism as a current, or yet-to-be-decided type. This idea makes the important point that German nationalism, for example, was a device that unified provinces of decidedly different traditions.

Smith's typology is the richest and most original in the literature to date. But it still is not a theory; it does not generate hypotheses or inspire explorations beyond those included in its definitions. Smith is not unaware of this limitation, because he intends his typology to be an introduction to—or a ground clearing for—his major task, which is to demonstrate the connection between nationalism and modernization. A few others have tackled this grand theme before Smith; he is critical of all of them.

Elie Kedourie, despite the unfortunate first sentence of his book, has convincingly analyzed the intellectual development of nationalism.[4] Kedourie takes issue with the liberal interpretation made popular by Hans Kohn. Kohn held that the idea of nationalism was a product of the positive intellectual developments of Western Europe, which he believed were rationalism and liberalism. When the idea migrated into Central and Eastern Europe, and came under the influence of German romantic philosophy and the imperatives of sociopolitical underdevelopment, it lost its rational and liberating character, and degenerated into the vicious phenomenon Hayes called integral nationalism—that is, fascism and Nazism.[5]

Kedourie, by contrast, holds that 19th- and 20th-century continental European nationalism was not a romantic deformation of rational En-

[4] Kedourie, *Nationalism* (3rd ed., London: Hutchinson 1966). The sentence reads, "Nationalism is a doctrine invented in Europe at the beginning of the nineteenth century." Despite the truth of this statement (if broadly construed), its baldness has brought criticism; e.g., "There is also danger in refusing to see that sentiments such as nationalism have roots in Asian and African experience, that nationalism, for example, is not just a 'European invention' imitated by other peoples" (Shafer [fn. 1], 267). Of course, it is unlikely that Kedourie would deny this.

[5] For a brief but penetrating analysis of Kohn's views, see Kenneth H. Wolf's "Hans Kohn's Liberal Nationalism: The Historian as Prophet," *Journal of the History of Ideas*, XXXVII (October-December 1976), 651-72.

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lightenment thought and of Kantian ethics, but their inevitable product. He contends that nationalism as an ideology grew out of rationalist efforts to establish a new basis of political legitimacy during the French Revolution, and from Kant's radical individualism as interpreted (by Fichte and others) to the advantage of the state. By creating a new style of politics that called into question all previous legitimizing ideas, by making self-imposed acceptance of necessity the highest moral code, and by putting the state at the center of rational consciousness, Kant, Fichte, and the French radicals provided the basis for integral nationalism.

Smith objects that Kedourie's analysis is "redolent with the moral pessimism of traditional religious outlooks"; he means that even though Kedourie is analytically distinct from Kohn, he has, like Kohn, called German nationalism bad and English nationalism good. Smith also accuses Kedourie of relying too heavily on the idealist view that "modern secular thought . . . is the chief solvent of traditional institutions," which has led him to create a single-factor analysis of continental nationalist ideology that itself becomes ideological (pp. 34, 38, 40).[6]

But Smith subverts this criticism by incorporating the basic features of Kedourie's analysis into his own definition of nationalism. Smith defines nationalism as "an ideological movement for the attainment and maintenance of self-government and independence on behalf of a group, some of whose members conceive it to constitute an actual or potential 'nation' like others" (p. 171). By ideological, he means that nationalists accept a set of ideas that they believe to be a correct basis for modern politics. These ideas are not questioned, but have the character of natural laws whose organizing power appears self-evident in the modern world. This view is very similar to Kedourie's basic point that nationalism became an operative idea when its practitioners began to believe that it had the strength of natural law. Once an idea achieves that status, a legitimizing concept of great strength is born, because it is widely accepted that "natural" ideas do not need proof. Enlightened radicalism and Kantian ethics are important to Kedourie because they produced an intellectual framework in which the national idea could be accepted as "natural" or "proven," thus making it more or less immune from reality-testing. Despite his criticism of Kedourie, therefore, ideas stand at the center of Smith's concept of nationalism, and he accepts the basic point that their strength lies in their being accepted as self-evident.

[6] Others have made similar criticisms of Kedourie; e.g., Chong-do Hah and Jeffrey Martin, "Toward a Synthesis of Conflict and Integration Theories of Nationalism," *World Politics*, XXVII (April 1975), 362n. Hah and Martin's misquoting of Rotberg does not strengthen their point.

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Smith goes beyond Kedourie when he distinguishes between the core doctrine of universally accepted nationalist belief and less crucial accretions to it. The core doctrine consists of seven "far-reaching propositions," such as: "humanity is naturally divided into nations"; "the source of all political power is the nation"; "loyalty to the nation-state overrides other loyalties," and so forth (pp. 20-21). The accretions to this doctrine are such typical ingredients of nationalist rhetoric as glorification of language, historical justifications, cultural cues, and symbolic stimulants. According to Smith, these are not fundamental to what nationalists seek, but are only the tactical justifications and elaborations that nationalists bring forward, as required by their particular circumstances, to help achieve their goals of self-government and independence.

Smith's distinction between the core doctrine and its accretions can be understood in functional terms. As ideology, nationalism has at least two functions: to legitimate and to mobilize. The core doctrine is essentially a set of legitimizing ideas. It cannot be proven, for example, that "nations can only be fulfilled in their own states"; but if it is believed, then political action becomes not only desirable, but proper and necessary, as Kedourie suggests. On the other hand, the accretions to the core doctrine—ranging from trivial symbols such as flags and parades to more fundamental subjects such as language and history—can all be conceived as aspects of the mobilization process. They inspire confidence, justify, and provide a rationale. Smith's distinction has considerable value because it permits the analyst to find similarities among nationalist writings and arguments that might otherwise be obscured by quibbles over whether language or religion is a better indicator of national identity.

A potential catch mars this analytic breakthrough, however. What if language, religion, or some other cultural phenomenon is actually basic to nationalism, and not simply an accretion to the core doctrine? If that were the case, Smith's distinction, while neat, would be wrong. That is Ernest Gellner's argument.[7]

Of all the writers on nationalism, Gellner is the only one who has produced a full-scale theory. The elucidation of nationalism is incidental to his larger purpose, which is to derive ethical standards appropriate to a period in which the transition to relative affluence has invalidated traditional values throughout the world. He concludes that freedom and doubt are fundamental positive achievements of this great transition.

[7] Gellner, *Thought and Change* (Chicago: University of Chicago Press 1963).

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En route to this conclusion, he finds that, to be legitimate, the modern state must promise to provide affluence and co-cultural leadership.

The basic difference of political significance between industrial societies and others, Gellner suggests, is a difference between culture and structure. In simple societies, where roles are rigid and well defined, the individual finds his meaning in the social structure. Communication is on the basis of stable relationships that are well known to all members of the group. In the modern world, however, where roles vary enormously with time, place, and age, where social contacts are ephemeral and take place often at a distance, and where the structure of relationships is not clear, cultural cues are used to identify and communicate with other people. In modern society, culture replaces structure as the fundamental social framework. And since the industrial system operates on a large scale, it has created relatively large political units based on culture—that is, nation-states.

The requirement that the industrial system use a method of scientific thought that is qualitatively different from traditional thought reinforces this change. This scientific style of thought is passed on by means of an educational system that culturally stamps its products as members of a certain national group. For this reason, language, in its broadest sense, has proved to be a fundamental aspect of modern nationalism. People who speak the same language consider themselves co-cultural, and will accept rule only from individuals or groups that they recognize as members of their own cultural group.

Naturally, Smith rejects Gellner's linking of culture—and especially language—so closely with nationalism. He does not deny that culture and language are important, but he does not think they need be "converted into a necessary social concomitant of industrialization." Language may have been important to early nationalists, Smith argues, but only *after* they became nationalists. They used language as a unifying device or imposed proper language on the masses after they achieved the power to do so (pp. 145, 147).

Smith's contention that language is not logically necessary to nationalism is a common position, but it fails to answer the question why language has been so important to nationalists. The problem cannot be solved simply by accusing those who try to clarify the relationship as reductionists, as Smith does (p. 150). Joshua A. Fishman, the sociolinguist, has tried to describe the link more thoroughly. Fishman avoids stating directly whether he believes language is necessary to nationalism, but he does make a strong case that historical experience has shown in countless cases that nationalists consider language a prime authenti-

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cating device. Language provides a link with the past, it ties the elites with the masses, and it is an apparently natural device for contrastive self-identification. Not that there is anything natural about the growth of a national language; on the contrary, only through the efforts of an educated elite does some dialect receive an orthography, a standard grammar, an ample lexicon, an accepted phonology, and a standard style. These things happen in the "wake of a revolutionary redefinition of the basis of sociocultural integration," not before. "In all cases," Fishman says, "the definition of the 'nation's own language' is ideologically rather than merely 'naturally' determined." Nonetheless, Fishman contends, "modern mass nationalism goes beyond . . . communication . . . to the identification of authenticity with a particular language which is experientially unique and, therefore, functional . . . in safeguarding the sentimental and behavioral links between the speech community and its (real or imaginary) counterparts yesterday and in antiquity."[8]

So language is not only an effective mobilizing instrument, but it is an authenticating mechanism as well. Fishman thoroughly describes the double role that language plays in nationalist ideology, and Gellner provides a broad theory to explain it. But neither of them explicitly identifies the decisive advantages of language as the authenticating link in nationalist ideology. Fishman hints at the answer when he says that "the nationalist *tour de force* is to combine authenticity *and* modernism; indeed, to find that there is no clash between them at all."[9] Language is the linchpin of this *tour de force.*

An authenticating mechanism must be so obvious and seem so natural as to be accepted without question. At the same time, it must be consistent with everyone's sense of reality in a given cultural framework. Ideologized language meets both of these requirements. Its appearance in the brain of each individual is unquestionably a natural phenomenon, and one that is poorly enough understood to remain mysterious. It is difficult to question the assertion that a person masters a unique cultural instrument when he unconsciously picks up his native tongue as a child. On the other hand, language is a completely secular phenomenon. One need postulate no special hand of God to accept language as a uniting and differentiating device. In the contemporary world, where, among the elite at least, the capacity to accept religious dogmas has declined substantially (Northern Ireland being an obvious exception), language can be taken seriously.

[8] Fishman, *Language and Nationalism: Two Integrative Essays* (Rowley, Mass.: Newbury House Publishers 1972), 124, 43-44.
[9] *Ibid.*, 72.

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Language may have a second advantage as well. As I have suggested elsewhere, nationalism is a successful modern ideology not only because it is a legitimizing and mobilizing ideology, but because it simultaneously satisfies the ancient human need for community and the modern need for personal autonomy.[10] The educational system characteristic of interdependent societies insures that every person can achieve the capacity to perform logico-mathematical operations. This power, which may be thought of as the ability to manipulate abstractions, has given modern man a sense of autonomy that is qualitatively different from that of simple societies. Language is the fundamental vehicle of this power. Through ideologized language, therefore, the modern politician has been able to appeal to the person who can deal with abstractions.

Smith would not accept these views—not only because his analytic device rules them out, but also because they depend on the assumption that men have a need to belong to a satisfying or authentic community. Smith considers this point to be *a priori* and teleological. The needs of individuals must be investigated in individuals, he points out, not imposed as some sort of necessity that conveniently supports a theory. Logical though this position may be, it is extreme. It is not an *a priori* assumption that the human animal is truly human only in social groups. Ethologists have convincingly demonstrated that group behavior has a positive survival value among the primates that are man's closest relatives in the animal kingdom, and modern psychology abounds with proofs of the ancient belief that man is a social animal.[11] Whether this human characteristic can best be explained by postulating a need for community, or whether one can find a more behavioral way of expressing it, the fact remains that human beings do organize themselves in groups and do consider themselves members of groups.

In fact, the most recent theoretical insights into the nature of nationalism have grown out of the study of man's propensity to organize in groups. Until very recently, social scientists and historians tended to believe that the mobilization of populations under the impact of modernization would lead to the assimilation of smaller or weaker ethnic groups into the larger and more powerful ones; that nation building would take place. Karl Deutsch, the most influential proponent of this notion, proposed many ingenious quantitative devices to measure such

[10] Stokes, "Cognition and the Function of Nationalism," *Journal of Interdisciplinary History*, IV (Spring 1974), 511-25.

[11] For a brilliant but controversial effort to bring much work in this area together, see Edward Osborne Wilson, *Sociobiology: The New Synthesis* (Cambridge, Mass.: Harvard University Press 1975). A powerful work stressing man's social nature is Terrence des Pres, *The Survivor* (Oxford: Oxford University Press 1976).

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assimilation.[12] Recently, however, it has become obvious that, far from bringing assimilation, mobilization has intensified ethnic awareness.[13] Scholars have therefore started to approach the study of nationalism via a new route, ethnicity.

The difference between nationalism and ethnicity is difficult to state simply.[14] Smith attacks the problem by isolating seven basic ingredients of the concept "nation," and then points out that groups known as tribes have only two of these characteristics, whereas the group known as the "ethnie" has five (pp. 186-91). He thereby suggests that the difference between the two phenomena is a question of level, or scale. The concepts "nation" and "ethnie" both refer to a group "with a common descent and upbringing,"[15] or with "common ancestral origin and the same cultural traits."[16] Members of each group have, as Deutsch would put it, "complementary habits of communication."[17] Nationalism and ethnicity are the ideologies that elites within the appropriate group formulate to mobilize support for political purposes and to legitimate political demands. But ethnicity operates *within* a society. The goal of the ethnic politician is to gain some advantage within an existing state, whereas the nationalist seeks to establish or maintain his own state.[18] Ethnicity and nationalism have the same functions, however, and they both have the same appeal to the participants. They both legitimate political action and mobilize support for it, and they both provide a sense of community and express the participants' sense of autonomy.

One of the recent changes in thinking about nationalism, therefore, has been to include it in a functional analysis of group allegiances in the modernizing world. When earlier writers discussed allegiances of ethnic groups within a state, they stressed the integrative power of nationalism, its unifying appeal. When they considered nationalism as a contrastive ideology that might produce conflict, they ordinarily saw this conflict as occurring either between nations or between classes. The

[12] Deutsch, *Nationalism and Social Communication* (2d ed.; Cambridge, Mass.: The M.I.T. Press 1966), 288. One of the few historians who have followed through on Deutsch's ideas is Miroslav Hroch, *Die Vorkämpfer der nationalen Bewegung bei den kleinen Völkern Europas* (Prague: Charles University 1968). Hroch shows that the leaders of early nationalist movements in small countries emerged from different social classes in each country, but could all be classified as intellectuals.

[13] See Walker Connor's excellent analysis of this, "Nation-Building or Nation-Destroying?" *World Politics*, XXIV (April 1972), 319-55.

[14] See, for instance, Shafer (fn. 1), 3-22; Wsevolod W. Isajiw, "Definitions of Ethnicity," *Ethnicity*, I (July 1974), 111-24.

[15] Deutsch (fn. 12), 288. [16] Isajiw (fn. 14), 118. [17] Deutsch (fn. 12), 288.

[18] Paul R. Brass, "Ethnicity and Nationality Formation," *Ethnicity*, III (September 1976), 225-41, suggests three levels in the development of an ethnic group into a nation, beginning with the identification of an ethnic category. When challenges and competition strengthen internal relations in this group so that an ethnic community is achieved, entry into the arena as a nationality is possible if the political situation permits.

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emergence of competition among ethnic groups for political or economic advantage within nation-states, however, has shown this picture to be an oversimplification. Chong-do Hah and Jeffrey Martin suggest that the notions of integration and conflict each have their special strengths. Integrative theory is particularly useful in understanding how modernization has created ethnic groups, and conflict theory is particularly useful in understanding why these groups have entered the political sphere. But neither approach is satisfactory by itself. As a remedy, Hah and Martin suggest integrating the two notions with the concept of relative deprivation, which they believe is the key for determining which groups actually succeed in entering the political struggle.[19]

Hah and Martin assert that their approach accomplishes exactly the task that Anthony Smith has set for himself, establishing a connecting link between modernization and nationalism. Smith, however, instead of attempting to construct an overall theory, as Gellner has, or a synthetic theory, as Hah and Martin have done, describes how one possible variant of ethnic nationalism might develop. He maintains that, under pressure from the impact of rationalization in technological and political mechanisms, some members of the elite in traditional communities find they must react if they are to find a place in modern society. The traditionalist simply rejects modernity, while the assimilationist wholly accepts it to the extent of wishing to become a citizen (eventually) of the world. The reformist, however, tries to make an amalgam between tradition and rationality. Smith believes that at first the reformer tries to adjust the tradition—especially religion—to the new values. But once tradition is breached and rationalizing reform has begun, the debate quickly shifts from the need for reform to what criteria should be used to determine where a stopping point might be—that is, what is true and fundamental in the tradition. Here emerges the revivalist, who holds that faith must be revived from some point in the golden past. "At this juncture the crucial step is taken. So far, 'value' accrued to the community only insofar as it was the carrier" of the religious tradition. Now, under pressure of the revival nationalist, " 'value' is transferred to the community *per se*. . . . The collectivity now is not just the carrier and vessel of virtue, it is its source" (p. 249). In this way, the ethnic group or nation becomes the nationalist's legitimizing notion, and religion loses its political impact.

This account has the virtue of attacking one of the most basic questions of modernity, Max Weber's demystification of the world. There

[19] Hah and Martin (fn. 6), 361-86.

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is no more central question in modern history, and Smith has produced a plausible account of one aspect of it. But unfortunately, he has left out the most important point, the intrinsic link between technological advances and the transfer of value to the community. Under the impact of technological advances, elites consider and select options. Why do they select the national option, and only that? What enables the revivalist to seize so successfully on the ethnic group or nation, rather than on some other legitimizing idea, such as class, or monarchy? Instead of confronting these questions in the profound manner we have come to expect from the best sociological theorists, Smith has provided a fairly traditional account of the transformation of religious into national allegiances.

What, then, is the present state of theoretical understanding of nationalism? Historians in Hayes's tradition are not particularly interested in theory. The political scientists, balked by the stubborn refusal of mobilized groups to assimilate, have more or less abandoned Deutsch, and have begun to concentrate instead on ethnicity and the functions of nationalism. Hah and Martin have combined the functional and ethnic approach in an effort to show why nationalism is a phenomenon of mobilization and transition. In a way, Kedourie is a precursor of the functionalists, stressing as he does the revolutionary implications of the legitimizing claim of national sovereignty. However, his theory of intellectual development, while provocative and essentially correct, is limited. Typologists, such as Symmons-Symonolewicz and Snyder, continue their work, but they have been overtaken by Smith. The most thorough and satisfying study—perhaps the only real theory—is Gellner's, but the historian will find Gellner a bit too far removed from the data of history to be satisfying.

Smith is perhaps the most frustrating of them all. His insights into definitional problems are sharp, but his logic and writing can be trying. For example, even though he seeks to show the connection between nationalism and modernization, he can say things like, "there is no strong and necessary connection between nationalism's course and the trajectory of industrialization" (p. 142). His typology is superb, but his effort at constructing a theory is rather narrow and disappointing.

Smith's pluses and minuses symbolize the problem that theorists of nationalism face. The definitions are confusing, but important issues lurk underneath. If Smith has failed to resolve all points as fully as one might like, at least his effort is a significant milestone along a poorly charted path. But the way remains open.

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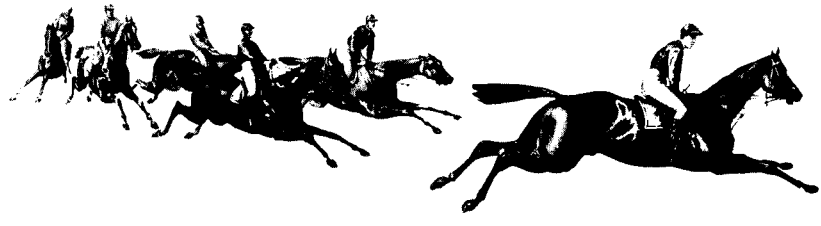

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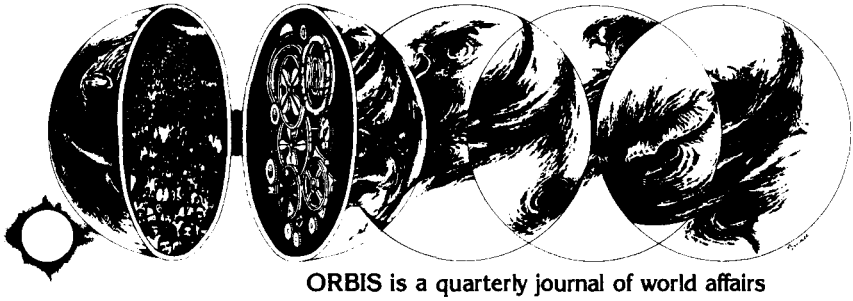

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